



Toys for boys:
the battle
to control
the consoles

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**A common
currency, but
no common
agenda**

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FINANCIAL TIMES

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hopes
of a vintage
ski season**

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BaE, Dasa close to deal on merger

Grouping to form core of consolidated European defence company

By Alexander Nicoll and
Jo Johnson in London

British Aerospace (BAe) and DaimlerChrysler Aerospace (Dasa) of Germany, which have been in merger discussions for several months, are close to agreeing the structure of a new company bringing together their operations.

The new vehicle, intended to form the core of a consolidated European aerospace and defence company, would be jointly chaired by Sir Richard Evans, BAe chairman, and Manfred Bischoff, chief executive of Dasa.

The companies have held talks with General Electric Company of the UK about injecting its Marconi Electronics defence arm into the new grouping, though this might occur as a second stage rather than as a trial.

BAe and Dasa want to include Aerospaciale Matra, the French grouping of aircraft and defence interests to be formed next year, in the new company. However, efforts have been set back by France's dislike of BAe's and

Dasa's plans to proceed bilaterally while they await further moves from Paris to privatise Aerospaciale. The three are the main partners in the Airbus civil aircraft consortium.

People close to the BAe/Dasa negotiations cautioned that the terms of the deal had yet to be agreed and could take weeks to finalise. The key aim is to establish a structure that will not disadvantage shareholders in either company and that will appear as a merger of

equals. The structure is likely to borrow from those of other transnational companies such as ABB, Royal Dutch/Shell, Unilever and Reed Elsevier.

Under one possible arrangement, BAe would retain its listing in London but its only asset would be a holding of perhaps 60 to 65 per cent in the new company. DaimlerChrysler would hold the remainder. But because this would effectively give it a blocking - or

even controlling - stake in the new company, its share in the voting rights would be lower than its capital holding. Its stake would be diluted if GEC or French companies entered the grouping.

The new company would have a main board in which executive members would be drawn equally from the two companies, though representation at the non-executive level remains to be thrashed out.

The companies are seeking

to register the new company in a country - perhaps the Netherlands - where neither the company nor the dividend flow or tax status of their investors would be affected.

The British, French and German governments, along with others in Europe, want to see a rationalised aerospace and defence industry to obtain better value from defence budgets and to create an industry that can compete with larger rivals in the US such as Boeing, Lockheed Martin and Raytheon.

Lux, Page 24

Pinochet takes defiant line at court hearing

By John Mason,
Law Courts Correspondent

General Augusto Pinochet, the former Chilean dictator, yesterday made a defiant stand against international efforts to put him on trial by insisting he did not recognise the right of any country other than Chile to prosecute him.

Making his first appearance in a court accused of crimes including torture, hostage-taking and conspiracy to murder, Gen Pinochet made a statement in which he dismissed as "lies" the allegations of crimes against humanity made by the Spanish authorities seeking his extradition.

At the end of the half-hour hearing, he was allowed by magistrate Graham Parkinson to make an unusual personal statement. Gen Pinochet told the court through an interpreter: "With respect to your honour, I do not recognise the jurisdiction of any other court but that of my country to try me against all the lies of Spain. That is all I want to say."

The former dictator made his first public appearance since his arrest in October at Belmarsh magistrates court in south London. Under a heavily armed police guard, he was driven through crowds of demonstrators, both opponents and supporters, into the maximum-security courthouse.

Gen Pinochet made his entrance into the courtroom sitting in a wheelchair and clutching a walking stick. Dressed in a brown suit, cream shirt and green tie, he appeared impassive, smiling only when introduced to his interpreter. He looked alert throughout the hearing.

often whispering to his Chilean lawyer or interpreter.

Gen Pinochet spoke on only one other occasion, when asked to give his name at the start of the hearing. He replied through his interpreter: "I am Augusto Pinochet Ugarte. I was a commander-in-chief of the army, the captain-general of Chile, president of the republic and actually I am at the moment a senator of the republic."

The hearing was a preliminary one and dealt only with Gen Pinochet's bail conditions and setting a date for the next hearing.

He was ordered to remain at all times at his current address, a mansion in Surrey, south-west of London. His bail conditions were changed to allow him to leave the house to take exercise in the garden. However, the magistrate ordered the walks had to be under police supervision and could be stopped on security grounds.

A date of January 18 was set for a hearing at Bow Street magistrates court in London, which Gen Pinochet will not be required to attend. This will set a timetable following the House of Lords hearing next week to decide whether its ruling removing immunity from Gen Pinochet should be overturned.

The Lords hearing follows complaints by Gen Pinochet's lawyers that Lord Hoffman, one of the Law Lords in the original hearing, failed to disclose connections with Amnesty International, the human rights group. If a fresh hearing is ordered, it will be set for January 12 and last a week.

Who might be next? Page 3
Best to stay at home, Page 7

Clinton may make another TV apology

By Mark Szerman in Washington

President Bill Clinton was yesterday weighing whether to deliver a televised address to the nation in a bid to win over moderate Republicans ahead of the historic vote on his impeachment over the Monica Lewinsky affair.

Drafts of the statement suggested Mr Clinton would once again stress his profound regret for misleading a grand jury over his relationship with Ms Lewinsky, a White House intern, and for "a failure of character and spirit".

The Republican majority on the House Judiciary committee was expected to complete voting today on four articles of impeachment, charging the president with perjury, obstruction of justice and abuse of power.

But the real battle begins over the 30 to 30 undecided Republicans who hold the key when the full House decides next week whether to recommend an impeach-

ment trial in the Senate for only the second time in US history.

Some White House advisers were holding out the hope of a centrist vote rather than a recommendation in favour of impeachment, and other officials had earlier considered having Mr Clinton postpone his trip to the Middle East.

Mr Clinton was reportedly undecided over whether to offer another public apology. The White House meanwhile tried to give the impression of business as usual, as the president prepared to leave for his trip to Brazil, Goa and the West Bank.

Throughout the day, members of the Judiciary committee solemnly invoked constitutional responsibilities as they wound up hearings on the impeachment process recommended by Kenneth Starr, the special prosecutor investigating the Lewinsky affair and other alleged presidential misdemeanours. Despite

the gravity of the occasion, Washington was calm. The US public seemed more concerned with Christmas shopping than impeachment, and polls indicated most saw the proceedings as unnecessary, irrelevant or both.

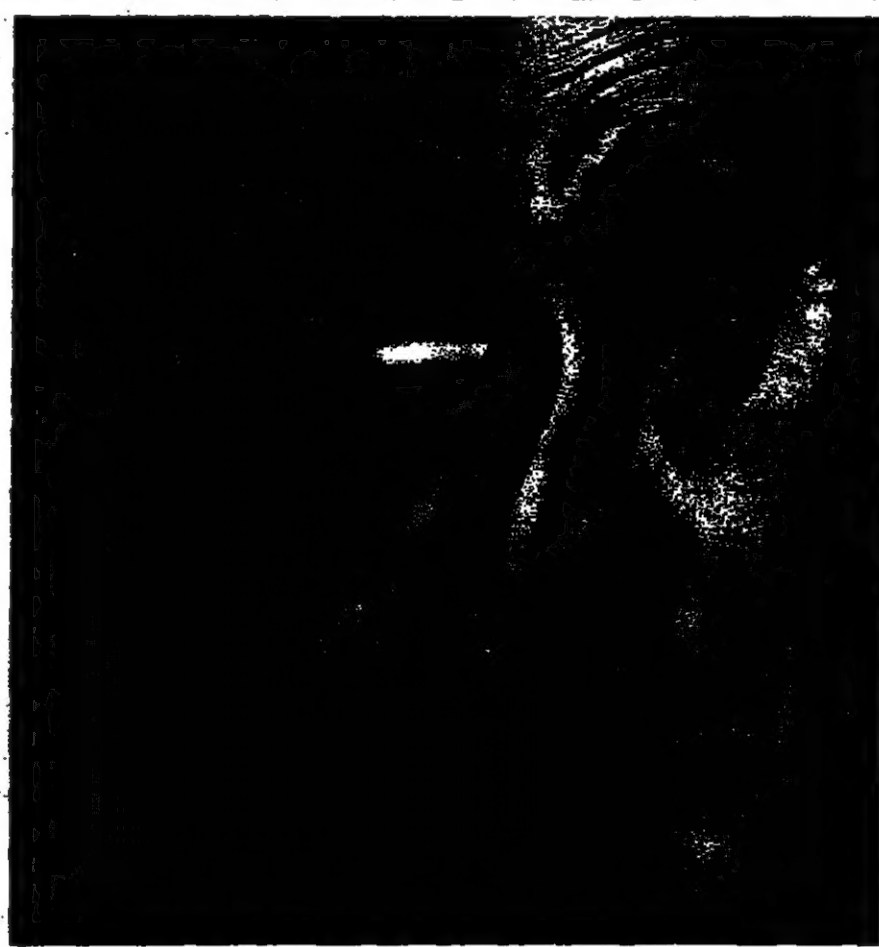
In early debate the committee appeared unmoved by a week of impassioned arguments from both sides, raising expectations that the Republican majority would approve at least one article alleging perjury.

In order to avoid impeachment Mr Clinton is expected to need the support of around 15-20 Republicans.

Democrats sharply attacked the impeachment articles for being vaguely worded, unsupported by the facts and inappropriate for the alleged crimes.

But Henry Hyde, the committee chairman, said that the Republicans were not seeking political advantage by pursuing impeachment.

Clinton in Holy Land, Page 6



US secretary of state Madeleine Albright and national security adviser Sandy Berger at a news briefing yesterday on President Clinton's visit to the Middle East, scheduled to begin today. Picture: AP

News General

North-south rift mars EU talks

The European Union was last night struggling to heal a north-south rift over its future finances as serious negotiations began among leaders on preparing the 15-nation group to embrace the former communist countries of eastern Europe. A first round of talks on the EU's planned Agenda 2000 reforms uncovered a wide gulf between two groups of states. *World News, Page 2*

Hostages pawns in Chechnya's greater drama

The decapitated heads of four foreign hostages, lined up this week on a cloth by a bleak roadside in Chechnya, were a chilling reminder of the brutal anarchy reigning in the north Caucasus republic. The hostages - telephone engineers from Britain and New Zealand - were, however, pawns in a greater drama. *World News, Page 2*

IRA vow to keep arms hits peace process

The Irish Republican Army has ruled out decommissioning its arms, serving a blow to the Northern Ireland peace process just a day after David Trimble, Northern Ireland's first minister, and John Hume, Social Democratic and Labour party leader, received their Nobel Peace prizes. *Britain, Page 5*

Sport, support and the soccer stockholder

The European soccer supporter who holds shares in a club is not your normal sort of shareholder - as the clubs are beginning to discover. The sports fan is at once a stockholder, a customer and supplier of that indefinable force called support, without which the soccer club would not exist. *Comment and Analysis, Page 7; Glimmering prizes in new league, Page 2*

Man in the news

Tom McIlroy

Until recently he was a medium-ranking bottin in a medium-ranking company. Now the 55-year-old Scottish chemist is chief executive, designate of AstraZeneca, the merged group set to become the world's third-largest drugs maker.

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News Business

Murdoch mends China fences

Rupert Murdoch, chairman and chief executive of News Corporation, is back in favour with the Chinese authorities, raising the chances of new business agreements. China Daily, the official English-language newspaper, published a front page photograph of Mr Murdoch and China's president Jiang Zemin shaking hands and smiling at an hour-long meeting. *Companies and Markets, Page 24*

Coca-Cola to boost volumes with Cadbury purchase
Shares in Coca-Cola took a battering amid signs that the world was losing its thirst for Coke. At the same time, it announced a move to boost overseas volumes by buying Cadbury Schweppes's soft drinks brands outside the US for \$1.65bn. *Companies and Markets, Page 24 with Lex; Fizzed out, Page 7*

Schwab halts online trading in internet stocks

Charles Schwab, the US stockbroker, has halted on-line trading in three internet stocks because of excessive price volatility. The move comes after a spate of highly volatile internet-related public offerings such as Xoom.com, which saw its share price triple on its first day's trading. *Companies and Markets, Page 24*

Weaker dollar and Wall Street subdue markets

A weaker US dollar and the hangover from Thursday's sharp fall on Wall Street kept European markets on the back foot. Trading is expected to wind down next week as investors prepare for the introduction of the euro, and few want to take risks. The DAX in Frankfurt fell 2.3 per cent and the CAC 40 in Paris 1.4 per cent. *Bonds, Page 8; Currencies, Page 8; World stocks, Pages 20-21; London stocks, Page 17; Lex, Page 24*

Tokyo poised to rescue Nippon Credit Bank

The Japanese government last night appeared close to stepping in to rescue the ailing Nippon Credit Bank. Reports were circulating in Tokyo that the government would soon declare the bank insolvent. *Companies and Markets, Page 23*

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WORLD NEWS

North-south split on financing EU expansion plans

By Peter Norman,
Michael Smith and
David Wighton in Vienna

The European Union was last night struggling to heal a north-south rift over its future finances as serious negotiations began among leaders on preparing the 15-nation group to embrace the former communist countries of eastern Europe.

A first round of talks on

the EU's planned Agenda 2000 reforms uncovered a wide gulf between two groups of EU states; one, headed by Germany, France and Britain, called for a real freeze on EU spending in the period to 2006 to pay for enlargement; and the other, headed by Spain, urged higher outlays for those existing EU members with below-average wealth.

But as the 15 heads of gov-

ernment spelled out their positions on the first day of their two-day summit in Vienna, there was little sign of agreement. Fearful that a public row could harm the imminent launch of the euro, Europe's single currency, on January 1, the leaders conducted their negotiations in a "friendly and constructive" tone, one British official reported.

However, there was no

backing-down from firmly established positions as leader after leader called for all disputed issues to be put on the table. Both Jacques Chirac, the French president, and Göran Persson, the Swedish prime minister, said, outside the meeting, that Britain's EU budget rebate had to be considered in the negotiations. Tony Blair, the British prime minister, repeated yesterday

that the UK budget rebate negotiated in the 1980s was justified and not negotiable. Gerhard Schröder, the recently elected German chancellor, underlined his determination to lower Germany's DM22bn (£12bn) net contribution to the EU budget at a special summit on Agenda 2000 to be held in Brussels in March.

But Joschka Fischer, the German foreign minister,

was at pains to play down suggestions that the leaders were heading for a confrontation reminiscent of summits in the 1980s, when Margaret Thatcher, then British prime minister, was at her most belligerent. "We are not waving the handbag," he said. "But we have a problem of under-proportional inflows from the EU budget."

In recent weeks, a head of

steam has built up behind the idea of stabilising EU spending in real terms at 1998 levels. The Netherlands, Austria and Sweden have joined Germany, France and the UK in arguing that proposals by the European Commission, the EU's executive, allow for too much growth in expenditure.

Arguing against a freeze, Jean-Claude Juncker, the Luxembourg prime minister,

said, "A zero budget is a zero policy and we cannot agree with a zero budget." José María Gil-Robles, the Spanish president of the European Parliament, was scathing in his criticism. "We cannot have more union on the basis of less budget. Legend says that Spain's medieval hero El Cid won a battle after his death. Thatcherism appears to be performing a similar feat."

Leaders take first step in jobs pact

By Peter Norman in Vienna

European leaders yesterday took the first step to forging an employment pact for the European Union, holding out the prospect that it would be ready for agreement by the summit of the 15 nations to be held in Cologne in June.

But while Tony Blair, the British prime minister, told fellow leaders the most important message of their two-day summit in Vienna that started yesterday was "jobs, jobs, jobs", there was no clear vision of what the pact should entail.

Gerhard Schröder, the German chancellor, who urged work on such a pact in a joint statement with France's President Jacques Chirac earlier this week, underlined the importance of lifelong learning and the need to involve both employers' organisations and trade unions in the initiative to supplement national policies to combat unemployment.

Member states' ministers will be charged with working out details of the new pact. Mr Chirac and Mr Schröder have said it should contain "binding and verifiable goals" and focus on the problems of youth and long-term unemployment and of discrimination against women in the labour market.

Despite the preponderance of Social Democrat or Socialist-led governments among the 15 EU member states, yesterday's discussion of unemployment highlighted different approaches to employment policy among Europe's leaders. Lionel Jospin, the French prime minister, said the pact should contain "new quantitative and measurable objectives", while Mr Blair hinted at an agenda including more supply-side measures, such as greater labour market flexibility, urging the EU to strive for an "employment and modernisation pact".

Some governments it appeared to doubt whether an employment pact would significantly change policy, because EU member states are already committed to following policy guidelines, put forward by the European Commission and confirmed by the council of ministers, for tackling unemployment.

Britain and Germany used the discussion on employment to clarify their positions on tax policy in the EU, following recent speculation in parts of the British media that Bonn's new left-of-centre government was seeking to harmonise tax rates in Europe at Germany's comparatively high levels.

Mr Blair stressed that no EU government was pressing for harmonised income or corporate tax rates and no government was opposed to fair tax competition.

Swiss trade deal hailed after four years

By Michael Smith in Vienna

The European Union and Switzerland yesterday hailed a bilateral trade agreement finalised on Thursday night after more than four years of negotiations.

Swiss ministers said the agreement, reached on the eve of the Vienna summit of EU leaders, could add 0.5 per cent a year to the country's gross domestic product in the five years after it is implemented, possibly at the start of 2001.

Hans van den Broek, EU

commissioner in charge of the negotiations, said the deal would strengthen ties beyond the terms of the agreement, which covers transport, public procurement, research, agriculture, mutual application of trade standards and the free movement of people.

"This is an interim step," he said - and it was up to the Swiss to decide what it was a step towards.

The Swiss government has long been in favour of joining the EU but has been unable to persuade the coun-

try of the attractiveness of the idea.

This week's agreement must be approved both by the Swiss parliament and probably by a referendum before it enters into force. "We have to convince the Swiss people that this is an excellent treaty," said Pascal Couchepin, economics minister.

The door was opened for the deal last week when EU and Swiss transport ministers agreed an accord over Alpine charges for lorries. Negotiators moved quickly

to resolve remaining differences including the labelling of wine, landing rights for Swissair and the treatment of EU workers in Switzerland.

More than 800,000 EU citizens live in Switzerland with limited rights. After the treaty enters into force EU citizens with a residence permit will have a right to stay, to bring their families and to participate in the social security system.

Five years after the agreement enters into force each EU citizen will be able to

Blair backs delay over duty-free

By David Wighton and Michael Smith in Vienna

Tony Blair, the British prime minister, yesterday threw his weight behind Franco-German plans to postpone next year's agreed abolition of duty-free sales amid growing signs of support from other European Union countries.

Mr Blair warned other EU leaders that the regime proposed to replace duty-free was unworkable and called for abolition to be suspended until new arrangements were worked out.

Suspension of the decision on duty-free would require unanimous support from all 15 EU member states. Although Mr Blair conceded it was still unlikely that there would be unanimous agreement he said it was at least possible.

In addition to Britain, France and Germany, the proposal is firmly supported by Ireland, Greece and Spain. Over the last two days Sweden and Finland have also softened their opposition to postponement. Göran Persson, the Swedish prime minister, said Sweden would not block such a move

if there were a large majority in favour.

Finland was more cautious, with officials indicating it would not hold out against change if postponement was supported by all other countries.

The strongest opposition is thought to come from Wim Kok, Dutch prime minister, who was directly involved in the 1991 decision to abolish duty-free from July next year.

There has been a significant shift in EU opinion on duty-free following the German general election. Gerhard Schröder, the new German chancellor, is worried about the effect abolition would have on duty-free cruises off north Germany. The European Commission dismisses the forecasts of job losses by the duty-free industry and remains strongly opposed to postponement.

The UK case is that the successor regime needs to be rethought. "As it stands at the moment, ferries that continued to sell booze would have to change their prices somewhere in the middle of the Channel to reflect the different rates of duty," said an official.



A crane is positioned as workers prepare to attach steel braces to the famous Leaning Tower of Pisa, yesterday, in the latest scheme to stop the famous Italian landmark from falling to ruin. Four cables are to be attached to the monument, which is 56m high and has developed a 5m tilt over eight centuries. They will hold the tower while soil is removed from under one side of it. Reuters

Glittering prizes in new soccer league

By Patrick Harvanon

The soccer club which wins the elite European Champions League next season could earn up to SF70m (\$52m) in prize money, more than three times as much as this year's winner, under the new-look competition unveiled by the sport's governing body yesterday.

The restructuring of the Champions League formally approved by Uefa in Lausanne, Switzerland, represents a significant victory

for Europe's top clubs.

In the new, enlarged competition, the 32 participating clubs will share SF600m of the projected SF700m revenues the Champions League will generate next year. Last season, the 34 clubs which played in the competition shared just SF200m, or only 55 per cent of the estimated SF360m in gross revenues.

The clubs have been able to force Uefa into a radical overhaul of the Champions League by threatening to join a rival breakaway

super-league proposed by Media Partners, a Milan-based sports marketing firm.

Although the rival league promised the clubs an even bigger total payout, they were reluctant to break away from Uefa. As the governing body in Europe, Uefa had said it would impose severe sanctions on clubs and players that defected.

As part of its reforms, Uefa also agreed to merge the Cup Winners' Cup and Uefa Cup into one competition, which will earn more money for a

larger number of participating clubs.

Under the new system for the Champions League - the most prestigious club competition in world soccer - the most appearance and prize money payments will be tied to the drawing power of the clubs involved. Clubs from big footballing countries with large numbers of fans stand to earn more than smaller clubs in less-established countries.

Klaus Hempel, joint managing director of Team Mar-

keting, the firm which sells the television rights and other commercial rights to the Champions League, said he was confident of raising the projected income of SF800m - more than double the current total - because many more games would be played under the new format.

He also declined to rule out the possibility that to maximise revenues some of the games would be shown exclusively on pay-television channels.

Chechens weigh choice between east and west

While Chechnya tries to choose between western and Islamic society, brutal anarchy reigns, reports Carlotta Gall

The decapitated heads of four foreign hostages, lined up this week on a cloth by a bleak roadside in Chechnya, were a chilling reminder of the brutal anarchy reigning in the north Caucasus republic.

The particularly gruesome style of murder is one the Chechens have always reserved for enemies they hated most: spies, traitors and Russian mercenaries.

But the hostages, telephone engineers from Britain and New Zealand, were unfortunate bit players in a far greater drama - a bitter struggle for power in the war-ravaged territory that could have far-reaching consequences.

At stake is not only the political and physical survival of the embattled Chechen president, Aslan Maskhadov, but the direction in which Chechnya itself is heading.

Chechnya's independence, achieved in all but name, is not in dispute. The argument convulsing the repub-

lic is whether it should turn west or east - develop an open, westward-leaning society or a strict Islamic one.

Mr Maskhadov has for the past month made his headquarters at a former Russian military base on the edge of Grozny, the capital. He is back in combat fatigues, ruling the territory by "special regime" and showing the gritty determination that brought him success in his two years commanding the Chechen guerrilla force against the Russian army.

He has appointed a loyal young commander, Turpal Ali Atgeriyev, as chief of all army, interior ministry and special forces units, and charged him with fighting kidnappers, who have seized dozens of hostages for ransom over the past two years, as well as thieves who are stealing Chechnya's oil.

These groups, many of them former fighters, have earned so much money from the kidnappings - estimated at more than \$20m - that they are better armed and



informed than government forces.

The kidnappers are driven primarily by the million-dollar ransoms that each foreign or high-profile Russian hostage can yield. While unaccountable for their actions, they are often close to influential political figures.

Those who have worked on freeing foreign hostages often name Artur Barayev, a young former fighter, as one thought to have been involved in many of the recent kidnappings of foreigners. While Mr Barayev espouses radical Islam, he is thought to be driven primarily by money.

Behind the kidnappers, the Maskhadov camp sees politi-

cal opponents who are trying to force Mr Maskhadov out. Opponents include former President Zelimkhan Yartiev, an ideologue who is set on making Chechnya a strict, even radical Islamic republic. Mr Barayev is known to be close to him.

Another is Shamal Basayev, a former guerrilla leader. He is an advocate of uniting the whole north Caucasus and freeing it from the Russian yoke.

Even the president's own cabinet has wiffily undermined his position. Former hostages have accused his vice-president, Valcha Arsanov, of involvement in kidnappings, but the president is either unable or reluctant to remove him.

It is in this context that the president's chief aide, Mairbek Vachagayev, explained the murders of the four hostages in an interview in Moscow this week. He said Mr Maskhadov's opponents wanted to force his resignation by holding him accountable for the anarchy which reigns in Chechnya.

Mr Maskhadov says he has no intention of resigning. But he will probably lose the battle to keep Chechnya westward-looking and secular.

The alternative is potentially alarming. "They want a fundamentalist, reactionary Islamic regime, on the lines of Sudan, Afghanistan and Pakistan," says Mr Vachagayev, of the government's opponents.

At worst Chechnya could become a haven for Islamic extremists, enter a new war with Russia, or spread its brand of kidnapping farther afield.

The foreign oil executives visiting Georgia and Azerbaijan offer rich pickings. The foreign community in Tbilisi, Georgia capital, has in recent months experienced two security alerts.

NEWS DIGEST

ASIAN CRISIS HITS EXPORTERS

Turkey moves to boost flagging economy

Turkey's caretaker government yesterday announced emergency measures aimed at tackling the country's economic slowdown and boosting manufacturing exports.

Turkish exporters have been hit hard by the financial crises in Russia and Asia, which have dented demand and profits.

Mesut Yilmaz, acting prime minister, said \$120m would be allocated to the state-owned Turkish Eximbank for export credits. The bank's capital would be raised to \$1.25bn to meet additional credit requests.

The government will also add a 6 per cent tax levied on corporate borrowing from foreign banks, and reduce the cost of other loans.

Business leaders have been concerned about the textile industry's flagging sales and have urged government action. Mr Yilmaz said textile manufacturers would get interest-free loans to buy cotton currently in stock.

The economy and finance ministers are expected to announce additional measures on Monday. AP, Ankara

ASEAN MEETING

Cambodia application deferred

The Association of Southeast Asian Nations is to defer admitting Cambodia as the 10th member of the group beyond next week's summit of Asian leaders in Hanoi.

According to the Thai foreign ministry, the nine Asian foreign ministers failed to reach a consensus on the issue during informal talks held yesterday.

Thailand, along with Singapore and the Philippines, has argued that ASEAN should postpone admitting Cambodia until the new coalition in Phnom Penh has become more firmly established.

The move to again defer Cambodia's admission to the group is a diplomatic blow for the summit's hosts: Vietnam has consistently backed Hun Sen, and openly argued for Cambodia's admission to ASEAN at the Hanoi summit. Jonathan Birchall, Hanoi

CHINESE ACQUISITION

Policy bank in takeover

China's State Development Bank (SDB), the country's main policy bank, yesterday took over the China Investment Bank, a smaller commercial bank, in the first acquisition of its kind since the communist revolution.

The SDB said the acquisition was driven by the policy bank's desire to establish an investment bank subsidiary. It insisted that the deal had nothing to do with rescuing a troubled institution. The China Investment Bank, which had total assets of RMB61.1bn (\$7.4bn) at the end of 1998, was set up in 1981 and has 29 branches.

Chen Yuan, governor of the SDB, has long harboured an ambition to establish an investment bank to complement the SDB's policy function. The investment bank is expected to apply under its own name to the China Securities Regulatory Commission for a licence to operate in capital markets. James Kyngie, Beijing

CURRENCY RISKS

Swiss warned on euro

Switzerland, whose currency is a traditional safe haven during foreign exchange turmoil, should be more worried by a strong euro than a weak euro, according to a senior economist at the Bank for International Settlements (BIS).

Swiss interest rates are already at their lowest level in 20 years and there has been concern that if the euro turns out to be weaker than expected investors will shift money into the Swiss franc, which will increase in value and undermine the competitiveness of Swiss exports. However, Robert McCauley, a senior BIS economist, said yesterday that the greater risk for the Swiss franc would come from a weak US dollar. In the past the Swiss franc has tended to strengthen by more than the D-Mark, the currency of its main trading partner, when the latter was appreciating against the US dollar.

Mr McCauley, told a seminar on European Monetary Union at the Swiss Federal Institute of Technology in Zurich: "A weak dollar is more of a danger for the Swiss franc than a weak euro." The Swiss franc will become one of the world's five most important trading currencies following the advent of the euro. William Hall, Zurich

CHINA SEVERS RELATIONS

Islands recognise Taiwan

China severed diplomatic relations with the Marshall Islands yesterday, three weeks after the tiny Pacific nation forged ties with Taiwan.

China "lodged a strong protest over the issue and decided to terminate diplomatic ties with the Marshall Islands", China's ambassador, Zhao Liangyi, was quoted as saying. He added that all inter-governmental agreements would lose effect immediately.

The Marshall Islands, a UN member which won its independence from the US in 1986, recognised Taiwan last month and had hoped to maintain ties simultaneously with China - a model Beijing consistently has rejected.

China routinely refuses recognition to any state that recognises Taiwan's exiled Republic of China government. The addition of the Marshall Islands brought the number of countries recognising Taiwan to 27 - mostly small, needy states in Latin America, Africa and the Pacific as well as the Vatican. Reuters, Beijing

CORRECTION

Wolfgang Schüssel

Wolfgang Schüssel is chairman of Austria's People's party and not of the Freedom party, as erroneously stated in a picture caption in the survey on Austria, published yesterday.

FINANCIAL TIMES
Published by The Financial Times (Europe) GmbH, Niederwallstrasse 3, 10118 Frankfurt am Main, Germany. Telephone: +49 (0) 18 581 1-1. Fax: +49 (0) 18 581 3481. Registered in Frankfurt by Götsche & Krenn as Gesellschaft für Druck und Medien. The shareholders of the Financial Times (Europe) GmbH are: Financial Times Holdings Limited, 110, The Strand, London, W1A 2JL; The Financial Times Group, 110, The Strand, London, W1A 2JL.

FRANCE: Publisher: Director P. Maréchal, 4, Rue de la Boétie, 75008 PARIS. Telephone: (01) 577 8254. Fax: (01) 577 8253. Printed in France. S.A. Nord Editeur, 1821 Rue de la Gare, 93000 Bobigny Cedex. Editor: Richard Lambert. ISSN 1148-2733. Commissionaire: No 67902.

SWEDEN: Responsible Publisher: Bradley P. Johnson. Telephone: +46 8 730 2353. Printed: AB Kvalitetstjänsterna, PO Box 6007, S-751 06, Jönköping.

The Financial Times Limited 1998. Editor: Richard Lambert. The Financial Times Limited, Number One Southbank, London SE1 9HL.

الشرق الأوسط

Putting Pinochet on trial fills Spaniards with both excitement and trepidation

David White in Madrid finds worries that Spain has yet to lay to rest its own ghosts of a general's dictatorship

Hardly anybody in Spain thought the case would get so far. Baltasar Garçon, the Spanish investigating judge, says he always believed in the chances of bringing General Augusto Pinochet to account for his actions as president of Chile. But then he admits to being an optimist.

The idea of a foreign dictator standing trial in a Madrid court - now a real although uncertain prospect - fills Spaniards with a mix of growing excitement and trepidation.

Since the general's arrest in London eight weeks ago, media coverage has reached obsessive proportions. None of yesterday's main national dailies devoted less than four full pages to the affair. For this is a case that strikes close to the bone in Spain. To many people it is a kind of public catharsis, the promise of a historical reckoning that Spain never had.

Some time next year, or perhaps the year after, a country which itself had a general in power for almost four decades could have another country's general in the dock.

But not everybody wants him. The most strenuous voices belong to those, predominantly on the left, who rejoice at Britain's decision to let extradition proceedings go ahead.

But there are others, not only on the right, who seriously doubt whether Spain is the right place for a trial. They find it strange that Spain should set about trying an ex-dictator from a country which wants to forget its past, when it has been through a similar process itself following the regime of General Francisco Franco. "We have our own skeletons in the cupboard," said an economist in his mid-40s who grew up as a fervent anti-Francoist. "Who are

we to give other people lessons or moralise on other people's transition to democracy? We didn't judge anyone here."

Spaniards would hardly accept a foreign court doing the same thing in return. Emilio Llaneza, a social scientist, commented this week in the daily *El País*. "Although it fills us with happiness that Pinochet should face up to his heavy responsibilities, it would not be bad if we faced up to ours."

Oscar Alzaga, a lawyer and former Christian Democrat politician who actively opposed both the Franco and Pinochet regimes, argued in the conservative newspaper *ABC* that Spaniards were suffering "collective amnesia" about their own transition to modern democracy. One of the keys to the process was "not going over the past, in exchange for regaining freedoms," he wrote. He recalled how Spanish public figures criss-crossed Latin America selling Spain's recipe for moving out of dictatorship "with as few traumas as possible".



Gen Augusto Pinochet (left) greets supporters in Santiago last year in dress uniform, while Gen Francisco Franco is pictured in his heyday (right) waving to crowds after making a speech from Madrid's Royal Palace in 1949

minister, said in an already famous quotation. The current centre-right government, which had no option but to pass on the extradition request, is squirming uncomfortably about the

Pinochet affair. It wishes the case had never come about, frets about relations with Chile, but wants to be seen as scrupulously respectful of the justice system. One irony is that the same

General tells Chileans he is a victim of 'crafty machinations'

By Imogen Mark in Santiago

In defiant but uncharacteristically measured tones, General Augusto Pinochet yesterday sent his first public message to Chile since his detention in London, proclaiming: "I am absolutely innocent of all the crimes imputed to me."

Further, he said, he was the victim of "cowardly,

crafty political and judicial machinations which have no moral value" and accused international communism of persecuting him "for defeating it, and saving (my) country from a virtual civil war".

His message was delivered privately to President Eduardo Frei and other

Much of his written statement consisted of a defence of his actions in taking power in 1973, when Chile's democratic institutions were already in ruins, he said. He had never sought power for personal motives, and had acted always "in the interest of my country and of peace".

The political message was the general's steady identification of his situation with

examination of Chile's history.

Speaking for the centre-left coalition government parties, Enrique Krauss, president of the Christian Democrats regretted that Gen Pinochet had made no gesture, "no recognition of his share of responsibility for those who were arrested, tortured, murdered and exiled".

An important note in the statement was the general's message to his army comrades - he praised their behaviour "in these difficult circumstances". Since they have steadily backed the government, with no sign of any insubordination, despite the affront to their former commander, this must be taken as an encouraging signal by the government.

US consumer spending up as inflation slumbers

By Richard Wolff in Washington

Consumer spending in the US continued to rise strongly in November but there were no signs of inflationary pressures as producer prices fell slightly, according to government statistics published yesterday.

Retail sales rose by 0.6 per cent last month to reach an annual growth rate of 5.3 per cent, the Commerce Department said.

Car sales surprised economists with a 1.3 per cent rise last month, in spite of earlier reports of weakening demand.

November's strong retail sales figures followed an upward revision of October's rise from 1.6 to 1.2 per cent.

Consumer spending is on target to reach up to 4.5 per cent in the fourth quarter of this year. The strong economic figures failed to halt a decline on Wall Street, where blue chip stocks fell for the fourth

day in a row to push the Dow Jones Industrial Average down 43.25 to 8,796 in midday trading.

Sales of clothing and other goods at department and general stores remained robust and rose by 1.4 per cent.

The strong performance confounded fears that unseasonably warm weather on the east coast had driven shoppers away from traditional winter purchases. Stripping out car sales, the retail figures rose by

Castro allows Christmas, but no dissent

By Pascal Fletcher in Havana

Cuba's President Fidel Castro may have granted his people a restored Christmas holiday, but the right of political opposition and protest is clearly not included in the package.

In recent displays of heavy-handed, one-sided force, the Communist authorities have snuffed out small, isolated attempts by political dissidents to voice opposition to the Castro government.

This official intolerance of even the slightest political challenge, however weak or scattered, raises questions about whether anything has really changed in Cuba since the historic visit last January of Pope John Paul.

The pope, while appealing for an end to the long-running US embargo against the island, also called for more internal political freedom.

Mr Castro's communist government responded by freeing 300 prisoners, including political detainees. But it seems to have no intention of easing, let alone relinquishing, its one-party monopoly grip on power.

On Thursday, the 50th anniversary of the Universal Declaration of Human Rights, the authorities responded to a plan by dissidents to hold a pro-human rights meeting in a Havana park by sealing off the venue with police barriers and staging a noisy pro-government rally there.

When a few lone dissidents tried to make statements to foreign TV news cameras, they were hustled away by plain-clothes security agents. Jeering, chanting government supporters jostled the television crews.

The same tactics were used two weeks ago against another small group of dissidents who accompanied a colleague to a Havana court where he was due to go on trial for "insulting" a Foreign Ministry official.

After scuffles in which police and government supporters chased and kicked one dissident, pushed others to the ground and ripped a Cuban flag from their hands, it was the dissidents, not their attackers, who were taken away by police.

In spite of pleas from the Vatican and foreign governments, the authorities still seem determined to try for "sedition" four other leading dissidents arrested more than a year ago, well before the pope's visit. They face five to six years in jail.

In the US, some leading personalities, including members of Congress and at least one cardinal, have been halting the pope's visit as a "window of opportunity" through which to forge a change in US policy towards Cuba, for example by easing the embargo. But no such window appears to exist for the moment for political change inside Cuba.

Asked about political prisoners, Cuban officials from Mr Castro downwards reply: "Nobody is in prison for having a different opinion. We just have prisoners who have broken the laws."

In fact, the laws allow the authorities to punish, often with long jail terms, crimes such as "enemy propaganda", "illicit association", "clandestine printing" and even "dangerousness".

Cubans will be thankful this year for the December 25 holiday, now restored by presidential decree. But those hoping for a wider political opening in Cuba will have to wait for another Christmas.

Violence precedes Clinton in Israel

By Judy Dempsey in Jerusalem

President Bill Clinton arrives in Israel tonight on the start of a three-day visit aimed at salvaging the Middle East peace process.

Even as final preparations for the visit were being made last night, violence continued in the West Bank as Palestinians, demanding the release of prisoners held in Israeli jails, clashed with Israeli soldiers. Two Palestinians were shot dead near the city of Qalqilya.

There have been four deaths this week, signalling a deterioration of a peace process Mr Clinton helped to forge two months ago at Wye Plantation, Maryland.

There was a further complication when Benjamin Netanyahu, the Israeli prime minister, set another condition to be met before he would make a second handshake to the Palestinian Authority. He insisted that members of the Palestinian National Council (PNC), the parliament of the Palestine Liberation Organisation, must first hold a vote to



A worker yesterday sweeping Bethlehem's Church of the Nativity which Clinton visits on Tuesday

annul articles in its charter that call for Israel's destruction. This is in spite of the wording of the Wye accord signed by Mr Netanyahu and Yasser Arafat, president of the Palestinian Authority. It states that "invited" PNC members should "reaffirm" the nullification of the offensive articles.

As part of the accord, the Palestine Central Council, a 124-member forum, met on Thursday and voted overwhelmingly to declare the anti-Israeli articles null and void.

The last phase in cancelling the clauses will take place on Monday in Gaza when Mr Clinton will address the PNC. It will be the first time a US president has visited the Palestinian-ruled areas and spoken to such a gathering of the Palestinian leadership.

The slowdown in the peace process is a bitter disappointment for Mr Clinton. The Wye accord envisages Israel handing over 13 per cent of West Bank land to the Palestinians in return for greater security guarantees from Mr Arafat. But Mr Netanyahu's rightwing government bitterly opposes it.

While the Palestinian Authority wants Israel to free more political prisoners, With fears of disruption from extremists from both sides, Israeli and Palestinian police have stepped up security. Over 10,000 Israeli police officers have been deployed throughout the region, 3,500 of them in Jerusalem, where the presidential entourage is staying.

Tomorrow, Mr Clinton will hold talks with Mr Netanyahu followed by a question-and-answer session with Israeli schoolchildren.

Clinton visit, Page 5

Clinton pledges support for Mitch's victims

By James Wilson in Washington

President Bill Clinton yesterday pledged continued US support for Central America's long-term recovery from the devastation of Hurricane Mitch.

After a meeting at the White House with presidents from the region, who pressed for better trade benefits and a solution to the uncertain immigration status of thousands of Central Americans living in the US, Mr Clinton said the US would help its "brothers and sisters".

"It also serves our long-term interests in a stable, free, and prosperous hemisphere," said Mr Clinton. The president said he intended to visit the region early next year.

President Carlos Flores of Honduras said leaders had warned of the risks of social turmoil in the aftermath of the hurricane, and of the need to improve the region's conditions quickly.

"We do not wish to see repeated the unfortunate events that occurred in Central America in the past

when the cruel consequences of war and internal political problems robbed thousands of the security of their jobs and opportunities in their own countries," said Mr Flores.

He said the enhancement of the Caribbean Basin Initiative (CBI), a set of trade benefits for the region, would help to lift the region's economic outlook by strengthening trade prospects.

Mr Clinton said he supported CBI enhancement legislation. However, any such moves would require the backing of Congress.

Mr Clinton said further measures would shortly be announced on the US treatment of Central American immigrants, holding out the prospect of further relief from deportation for illegal entrants. The US has already suspended deportations to Honduras, Nicaragua, Guatemala and El Salvador until January.

Officials from countries affected by Mitch were last night concluding two days of talks with financial donors and aid agencies.

WEAPONS INSPECTIONS 'NO WARNINGS' OF MILITARY STRIKE IF CO-OPERATION IS REFUSED

US to take time to review Iraq compliance

By Stephen Fidler in Washington

Senior US officials said yesterday they would allow time for a review of Iraqi co-operation with United Nations weapons inspectors, but said there would be no warnings if the US decided to mount a military strike against Iraq.

The US last month stepped back from attacking Iraq, after the government in Baghdad said it would once more allow co-operation with

weapons inspectors from the United Nations Special Commission on Iraq.

Then President Bill Clinton set five conditions for Iraqi co-operation with the weapons inspectors that would satisfy the US. However, on the face of it Iraq now appears to have broken two of these conditions, by its refusal this week to give Unscm inspectors access to the headquarters of Iraq's ruling Ba'ath party and by failing to provide inspectors with some of the documents they were seeking.

Madeleine Albright, the secretary of state, said yesterday that in her discussions with European leaders this week in Brussels and Paris she made it very clear that if Iraq did not co-operate with weapons inspectors "there are no warnings and... diplomacy has come to an end".

She said Richard Butler, the Unscm chairman, would report to the UN Security Council on Iraq's co-operation with the search

for weapons of mass destruction and the US would then make its own assessment. "We will consider all our options that we have. And as I have said a number of times... the military option remains on the table."

Mr Butler said on Thursday that Baghdad had repeatedly obstructed weapons inspections teams, but that he would delay until at least next week a full assessment of Iraqi behaviour.

Sandy Berger, President Clinton's national security

adviser, said that Mr Butler's views would be "listened to carefully", but that only the president could make the decision on use of military force.

With Mr Clinton leaving today for a trip to Israel and the Palestinian lands, which ends on Tuesday, Washington is trying to avoid another confrontation with Iraq at this moment. But in a possible indication of US concerns, the Defence Department this week announced it was moving

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Société d'Investissement à Capital Variable
Kansallis House - Place de l'Étoile
B.P. 2174, L-1021 Luxembourg
R.C. Luxembourg B 16926
(Incorporated in Luxembourg)

Pursuant to a decision of the Extraordinary General Meeting of Shareholders held on December 2, 1998, the liquidation of Fidelity Far East Fund Sica (the "Company") has been closed.

Liquidation proceeds not collected by the shareholders will be transferred to the Caisse des Consignations to be held for the benefit of the persons entitled thereto.

The records of the Company are deposited at the registered office of the Company for a period of 5 years.

The Liquidator

Fidelity Investments

INTERNATIONAL

China curbs foreign role in telecoms

By James Kyng in Beijing

China has drawn up a detailed plan to reduce the market share of foreign telecommunications equipment makers over the next five years and boost that of its own local champions in a fast growing market already worth about \$7.5bn in annual sales.

A state council (cabinet) document, which has not been made public, criticises foreign joint ventures and wholly owned subsidiaries for being too slow to transfer technology to Chinese equipment makers. It adds local equipment makers have developed quickly but are still significantly behind the foreigners and so need help.

China has become a crucial market for companies such as Ericsson, Nokia, Motorola, Nortel, Siemens and others. For example, Nokia sold about \$1.2bn in equipment in China in 1997 and sales have continued to boom this year as the number of mobile subscribers has risen by around 1m a month.

The document recommends greater control over imports of GSM mobile telephony technology, especially where this technology can be sourced from local manufacturers.

Two Chinese companies, Huawei Technologies and Datang Telecom Technology, have recently developed and are operating GSM systems networks. These companies are regarded by the govern-

ment as shining examples of how China can strive to succeed against technologically more advanced foreign competitors.

The document also says that cities and provinces should not approve foreign joint ventures or wholly owned subsidiaries to set up their GSM systems.

Foreign GSM systems are already in extensive use in China, and orders continue to come from cities and provinces wishing to expand existing services.

The new recommendation appeared to apply to areas which are not already covered, analysts said.

The document also recommended greater supervision of whether foreign manufacturers in China are transferring technology to Chinese companies fast enough, and whether they are meeting their agreed targets for exports.

In addition, it recommends a 5 per cent tax on mobile telephone installation fees, the proceeds of which would go to support research and development at Chinese companies.

A second document, this one written by the ministry of information industries, sets out ways to implement the state council's recommendations.

It predicts that by 2001, Chinese companies will control 40 per cent of the mobile equipment market, up from probably less than 10 per cent now.

JAPANESE INDUSTRY UNDER FIRE A CASE OF MASS POISONING HAS PROMPTED CALLS FOR REFORM OF THE INSURANCE SECTOR

Police see life assurance link in deaths

By Gillian Trill in Tokyo

Until recently Masumi Hayashi, 37, seemed a typical Japanese housewife. Now, she has been dubbed a killer by Japan's media - and triggered deep embarrassment in the nation's life insurance industry.

This week Mrs Hayashi was arrested on suspicion of carrying out one of the most bizarre murders seen in Japan - a mass poisoning in the industrial town of Wakayama in July - as part of a life insurance scam. She initially denied the accusations but has lately refused

to comment on them.

The grisly tale has mesmerised the public and fuelled demands for reform in the country's vast but ailing life insurance sector. As Yoshitomi Yamato, an insurance consultant, says: "I think this shows the industry is not very professional in the way it operates. It needs to change."

Like many Japanese housewives, Mrs Hayashi spent several years selling life insurance. And Mrs Hayashi, who has a chubby, trustworthy face, apparently excelled at her job.

But, police say, life assur-

ance companies failed to spot that she was not only selling policies but buying them herself by this year, it is alleged, she had 130, covering 20 of her friends and family and worth about ¥1.7bn (\$14.5m).

Some policies were taken out without the individuals' knowledge. But life insurance companies have rarely checked identities in Japan and no one spotted that strange illnesses were afflicting her acquaintances - and she was collecting the cash.

Police allege that even her husband, a termite exterminator, apparently did not

realise she was trying to poison him.

It was not until four people died and 60 were taken ill at a festival in Wakayama that the police stepped in. A pot of festival curry was discovered to contain arsenic, and traces of the poison were then allegedly found at the Hayashi household. According to the police the curry had initially been intended for her husband's friends.

Lawyers and insurance experts say the case points to regulatory shortcomings. "The life insurance sales people just don't do enough

checking in Japan, because it is not a professional job," says one insurance expert, who blames the army of part-time saleswomen.

Such criticism has prompted Nippon Life, the largest life insurance company, to promise new internal controls. Yasuda Life, which also extended policies to Mrs Hayashi, has threatened to sue her.

But western analysts say the case shows the degree to which the industry is plagued by quirkiness. In Japan, for example, payouts can be made to a company after a suicide - a factor believed to

have contributed to a recent surge in corporate suicides.

Even without Mrs Hayashi, such business practices now look increasingly unsustainable. All the life insurance companies are plagued by growing debt, losses on equities and falling investment returns. Bureaucrats are considering forcing insurance groups to fall or merge. The Wakayama case is probably just a "freak," says one western life insurance executive. "But I think the sector will be forced into some serious reform soon."

Additional reporting by Nobuko Fuji



Opposition members of parliament in New Delhi yesterday supporting a one-day strike

Indians strike over free market policies

Tens of thousands of industrial and public sector workers across India went on strike yesterday in protest against the government's free market policies. Reuters reports from New Delhi.

Security around industrial installations was tightened and many trains were cancelled ahead of the one-day strike, state radio said. Over 50 trade unions representing industrial and agricultural workers, students, women and youth groups called the stoppage to back a clutch of demands, including minimum wages, an end to partial sale of state-run enterprises and moves to open the insurance sector to foreign investors.

Most industrial units and business establishments in

the communist-ruled eastern state of West Bengal were closed. State-run Indian Airlines cancelled flights to and from Calcutta.

"We are strongly opposed to privatisation. Private companies swindle profits, specially foreign companies," said Vijay Ganacharya, general secretary of the General Insurance Employees Union at a rally in Bombay.

The profits from the insurance sector being used by the government to build roads and canals will now go into the hands of a few families. The coalition government is expected to present to parliament next week landmark legislation to open up the domestic insurance sector, ending a decades-old state monopoly in the sector.

INDONESIAN BANKING SCHEME SEEN AS TOO COSTLY, LACKING IN DETAIL AND ONLY PUTTING OFF PROBLEMS

Doubts mount over bank rescue plan

By Sander Thomas in Jakarta

Indonesia's bank recapitalisation plan announced this week is too costly, lacks detail and will do little but put off banks' problems unless the government applies tough standards, bankers and economists said yesterday.

Bambang Subianto, the finance minister, said yesterday he hoped to finalise the recapitalisation by next March.

Under the plan, the government calculated it would spend Rp253,068bn (\$33.5bn) - roughly 28 per cent of estimated gross domestic product for 1999 - to recapitalise 70 state and private banks.

"This is the best choice for now," said Nyoman Moena, a former central banker and

recent chairman of the Indonesian Bankers Association. "But the bleeding will go on. Bank Indonesia may have to extend more liquidity credits. Doomday is just a matter of time, but maybe the economy will be more conducive to a real solution by then."

The capital injection, mostly in the form of new rupiah bonds, would raise the capital adequacy ratio of the banks to 4 per cent, still low by world standards. Banks would have to present plans for raising the ratio to 8 per cent in three years.

The cost is much higher than predicted by the International Monetary Fund, which supports a government bailout but wants to limit the budget deficit. The government implied it could end up spending even more,

either to bail out more banks or liquidate any that fail to raise their capital adequacy ratios above 4 per cent.

Mr Bambang said the government had yet to decide the size and coupon of the bonds it would issue to finance much of the capital injection. Bankers expected more than \$20bn in new rupiah bonds.

One banking analyst suggested officials were still debating the number of banks to be saved, with Mr Bambang pushing for a more modest bailout. "This is just the first trial balloon," the analyst said. "The elements are not clear and banks cannot attract new investors until they know more."

The 150 bank audits carried out to date indicate two-thirds of outstanding loans are non-performing. Forty banks, including all

six audited state banks, had capital adequacy ratios of less than minus 25 per cent and only 54 had a ratio of plus 4 per cent or higher.

The 70 banks eligible for recapitalisation are either state-owned or have a capital adequacy ratio between minus 25 per cent and plus 4 per cent.

By far the most expensive bailout was reserved for the state banks. Officials said six national state banks needed Rp136,442bn and 15 regional banks needed Rp1,308bn.

The government has offered to lend four rupiah for every rupiah invested by private bank owners in the form of bonds that the banks can count as capital.

These bonds will provide interest, but bankers warned that only if the rate was high enough to attract for-

sign investors would it be possible to sell the bonds for the cash needed to revive lending.

Mr Nyoman and others predicted the rate would be less than half the 37.9 per cent offered on short-term central bank paper.

"That will be hard to sell," Mr Nyoman said. "It will not help the banks' liquidity much."

Other bankers said the government, by giving a cost estimate for recapitalising 70 banks, had indicated it was wary of closing down any even if they lacked a credible rescue plan.

Australia slow to act on 'millennium bug'

By Lisa Murray in Sydney

More than 90 per cent of Australian businesses are aware of the year 2000 computer problem, but only about half plan to take any action on the issue by December 1999, according to Australia's first official survey on "millennium bug" preparations.

The findings, contained in a report published this week by the government's bureau of statistics, were based on a survey of 6,500 private businesses including Australia's largest and smallest companies. The survey suggested Australia lagged behind most western countries.

The report found that only 13 per cent of all businesses had contingency plans to deal with disruptions and just a fifth had sought assurances from suppliers, service

providers or customers about their state of year 2000 readiness.

The low levels indicated Australian businesses were being "self-centred and inwardly focused" in their Y2K projects, said Maurice Newman, chairman of a joint private and public sector committee on Y2K issues. "If Australia is to make a successful transition into the year 2000, businesses must be more active in preparing."

Most companies with no plans to prepare for the bug employed fewer than 20 people. Richard Alston, Australian minister for information technology, said a big concern was that 19 per cent of large businesses had not yet begun work on Y2K issues and could face problems if the work took longer than expected.

Cricket board pledges graft probe

By Gwen Robinson in Sydney

The Australian Cricket Board yesterday promised an independent inquiry into spreading allegations about contacts between cricketers and bookmakers.

Responding to public indignation over disclosures that two star players sold information in 1994 to an illegal Indian bookmaker, the board said its inquiry would address fresh allegations of bookmakers' attempts to influence match results, as well as buying information from players. It would question all of Australia's 25 international players about their contacts with bookmakers, officials said.

"Bookiesgate" as the scandal has been dubbed, was triggered by disclosures this week that Shane Warne and Mark Waugh took money from an Indian bookmaker in exchange for information about weather and pitch conditions on a cricket tour of the subcontinent in 1994.

More shocking, for many Australians, were revelations the cricket board discovered their wrongdoing and secretly fined the pair a total of A\$18,000 (\$11,100) in early 1998, then deleted all reference to the penalties in the board's minutes. Another surprising aspect was the relatively paltry fee - just A\$11,000 - accepted by the two for their information, commentators said.

Warne, Australia's leading spin bowler, and Waugh, a top batsman, have been described as "millionaire sportsmen" with a swag of lucrative sponsorships and a penchant for luxury lifestyles.

The disclosures generated unprecedented public anguish in this sports-obsessed country. John Howard, the prime minister, said he shared "with millions of Australians an intense feeling of disappointment" over the scandal.

The board's announcement of an inquiry has overshadowed the current series of test matches against England, marred the pleasure for many Australians in their team's strong performance against the visiting side.

In an extraordinary display of ill-will, many Australian spectators at the third match of the series, now being played in Adelaide, booed and jeered Waugh as he trudged, dragging his bat, on to the pitch yesterday afternoon.

Oil-rich Nigeria yet to take sting out of bloody campaign over crude revenues

A new democratic government, expected to be in place in May, will have to deal with the twin evils of rebellion and a hefty current account deficit, reports William Wallis

The chairman of the Nembe development committee was spitting venom as he described how successive Nigerian governments had given his town next to nothing in return for billions of dollars worth of crude oil pumped from the maze of surrounding creeks and swamps that make up one of the country's main oil-producing regions.

But the break arrival of a senior official from the far away health ministry promising an instant hospital disturbed the thread of the Honourable Clever Keremah's story.

Delighted by the promise, Mr Keremah could not suppress a smile. "Let's hope this is the beginning of better times," he said.

Oil company and government officials say Bayelsa state, in which Nembe is situated, produces close to a third of Nigeria's crude, but they admit it has only one functional petrol pump.

Nembe, around 100km west of Port Harcourt, is a town where neither government officials nor oil company officials can move without fear of assault. It has a bloody history of fighting for its rights. Success, however, has been mostly short-lived.

In 1995, Ijaw people from the riverside town are said to have attracted Queen Victoria's attention when they were accused of killing and eating employees of the



Royal Niger trading company. The Ijaw nevertheless failed to preserve their control of the local palm trade and could not stop the British imposing taxes on them.

A century later, fishing communities from the same mangrove swamps are leading a campaign of hostage-taking and sabotage which threatens to undermine what officials hoped was going to turn into an oil boomtown along West Africa's coast.

The campaign of violence will prove as much a military and a financial quagmire for the new government scheduled to be in place by May as for the outgoing military regime. Nigeria will still have a substantial current account deficit and it badly needs to maximise oil revenues.

Oil company workers have been the most frequent targets of impoverished villagers demanding piped water, electricity, straight cash pay-

ments and compensation for damage to their fishing waters caused by frequent spills. But the message is directed equally at the federal government. Militant Ijaws, Nigeria's fourth largest ethnic group, are demanding as much as 50 per cent of the revenues from oil produced in their region.

Their threats coincide with a steep decline in Nigeria's foreign exchange earnings - more than 90 per cent of which come from oil - due to the sharp fall in world crude oil prices. Together with bloody communal fighting over control of scant local government resources, the Ijaw campaign has forced the closure of dozens of flow-stations this year.

By the end of October there had been 40 incidents of piracy and hostage-taking compared with seven last year," he said.

Overall, Nigeria lost about a third of its 2m b/d in the worst of recent disputes. Mr Nwachukwu says his company has been spending more on development projects than at any other time - about \$30m a year. But he fears that this may not stop militant Ijaw youths from mounting a co-ordinated campaign that could lead to civil war.

"We want a government that enables us to be stakeholders in the oil business," said James Samson, a leader of MOSIEND (Movement for the Survival of the Ijaw Ethnic Nationality in Nigeria Delta) which has helped orchestrate the disturbances.

"We don't want Shell or any other company here unless the government is ready to co-operate," he said. Mr Samson is one of many young men from near Nembe who have watched oil slicks choke the life from their fish stock and have waited in vain for compensation - while they have watched as a new capital in Abuja and its officials soak up the revenues from the traditionally marginalised region.

"In the 40 years since Shell began production, they have



Oilmen at work in a swamp near Port Harcourt

given us four boats and they were left to us last month. That's one boat for every 10 years of production," said Mr Keremah, carefully brushing over the powerful electricity generator and other piece-meal gifts offered to his 122,000 strong community by the giant of Nigerian oil.

The late Nigerian minority rights activist, Ken Saro-Wiwa, likened the situation to someone stealing a shirt and giving back a button. He was executed in 1993 by a military tribunal under the then dictator, General Sani Abacha.

Gen Abacha's unexpected death last June has opened the way for a more liberal-minded military government and the promise of democratic rule. It has not, however, stopped the spread of Mr Saro-Wiwa's message.

Instead the prospect of an elected government by May appears to be radicalising demands and exacerbating conflicts between rival communities.

Prices for electricity, determined for the purposes of the electricity pricing unit in England and Wales

Period	Price for electricity, determined for the purposes of the electricity pricing unit in England and Wales
1998/99	17.00
1999/00	17.00
2000/01	17.00
2001/02	17.00
2002/03	17.00
2003/04	17.00
2004/05	17.00
2005/06	17.00
2006/07	17.00
2007/08	17.00
2008/09	17.00
2009/10	17.00
2010/11	17.00
2011/12	17.00
2012/13	17.00
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2037/38	17.00
2038/39	17.00
2039/40	17.00
2040/41	17.00
2041/42	17.00
2042/43	17.00
2043/44	17.00
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NORTHERN IRELAND BLOW TO PEACE PROCESS AS PARAMILITARY GROUP AGAIN OPPOSES DECOMMISSIONING

IRA rules out weapons handover

By John Murray Brown
in Dublin

The Irish Republican Army has ruled out decommissioning its arms, serving a blow to the Northern Ireland peace process just a day after David Trimble, Northern Ireland's first minister, and John Hume, Social Democratic and Labour party leader, received their Nobel Peace prizes.

In comments yesterday to the BBC and Radio Telefís Éireann, the Irish state broadcaster, IRA officials confirmed that the organisation had held a full "army convention" last weekend at

which the leadership restated its opposition to decommissioning.

Tony Blair, the prime minister, played down the report. He said at the European Union summit in Vienna: "I have learned from experience in Northern Ireland not to pay too much attention to individual reports. Most people in Northern Ireland just want to see the agreement implemented. I would not lay too much stress on one particular report. I don't pretend to know the inner workings of the IRA. That's up to them. What I know is the agreement must be implemented."

It has to be implemented by everybody.

This is the third time this year the IRA has addressed the arms issue and each time their response has been hardline. It comes in the wake of last week's setback to the talks when unionists and nationalists failed to agree the key cross-border structures linking Northern Ireland and the Republic.

Bertie Ahern, the Irish Republic's prime minister, said in Vienna: "It is my view that unless we see some real progress on the institutional issues and the other issues of the agreement, we're not going to see

too much progress [on decommissioning]. But we have to keep on pressing and pushing."

Mr Ahern said he was "not surprised" at the IRA statement, but he said "as far as we're concerned in the Irish government, we believe there should be decommissioning, and it should be under the terms of the agreement and it should be as soon as possible."

Mr Trimble, the Northern Ireland first minister and Ulster Unionist party leader, told the Nobel audience on Thursday he was not seeking "precise dates, quantities and manner of decommissioning" but he had to see "a credible beginning" to disarmament before Sinn Féin, the IRA's political wing, could enter the planned regional government.

Ken Maginnis, the Ulster Unionist party's security spokesman, said "every possible opportunity" had been given to the IRA to disarm.

"They have been taken into the process, but they can't come in with an Armalite [rifle] and a ballot box." He added: "The ability of the leadership of Sinn Féin/IRA to take the entire movement with it has seemed to be less and less over the last few months."

Platitudes fail to give a measure of satisfaction

Study shows many FTSE 100 companies falling short of best practice in recording non-financial data, Jim Kelly reveals

It is difficult to imagine an annual report and accounts that does not contain the following sentence or one very similar: "Our company is committed to the highest levels of customer satisfaction."

This week the Foundation for Performance Measurement published research based on the annual accounts of the FTSE 100 companies (as at April 7 this year) which judges them on the "clear provision of substantive data, across a time period, with an accompanying target for the measurement of future performance."

The platitude quoted would have been awarded one point by the foundation. The points go up in steps as the information becomes more useful, so that:

● A recent survey indicated 90 per cent customer satisfaction among all customers' scores two points for reference to a single measurement.

● A recent survey indicated 90 per cent customer satisfaction among all customers - up from 80 last year' scores three points for

the time change introduced in the measurement.

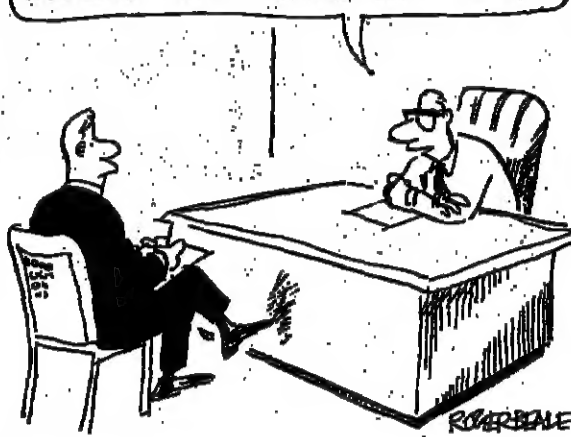
● A recent survey indicated 90 per cent customer satisfaction among all customers with a target next year of 85 per cent' scores four points for a measurement and commitment.

The research shows that only 5 per cent of data measured made any reference to targets for future assessment and only 40 per cent contained trend data. Even the best performers fell down when it came to committing themselves to future targets - while picking up points in the other categories.

The FTSE 100 companies were ranked in terms of 19 categories of performance measurement, covering financial data (risk, for example), activity data (productivity and quality), development (brand development), environment (health and safety) and relations (staff performance and learning). Scores of 0-4 were given in each.

The best performers were the Orange mobile phone company (86 per cent), the J. Sainsbury store chain (83 per cent), SmithKline Bee-

OUR FORECASTS FOR THIS YEAR WERE 90 PER CENT WRONG. AND WE AIM TO INCREASE THAT FIGURE NEXT YEAR



cham (83 per cent), Marks and Spencer (82 per cent), Rolls-Royce (82 per cent), Safeway (82 per cent), and Shell, Zeneca and the Tesco and Asda retail chains all with 61 per cent. A veil is drawn over the worst performers but those in the "lower quartile" include Amvescap, Bass, Ladbrokes, P & O, Rank Group, Schroders and United News.

Diageo was not ranked as it did not make the deadline. Does any of this mean anything? The results certainly

show that stakeholder pressure produces results. The best information came from those companies in the public or media spotlight - concern for the environment is clearly a catalyst for change in the oil, chemical and extractive sectors.

The results also show disappointing progress in the measurement of non-financial data. This only goes to show that despite years of debate, environmental reporting is still at a very early stage in terms of pro-

viding measurable targets and commitments. Social and ethical performance measurement is even further behind the financial data - which are "poor" anyway. There are a couple of exceptions - reporting on community involvement is high but probably reflects its public relations value.

There is one surprising failure - customer service scores 34 per cent across the survey, showing that it is largely ignored by management. "Most disappointing was the lack of attention that was paid to this measure by the companies in the service sector."

The hypothesis of the foundation's draft survey is that performance measurement in annual reports does not match best practice as accepted by companies for internal use.

The survey will be used as the basis for more debate on the subject. The foundation is right to encourage companies to disclose at least a flavour of the kind of indicators they use internally.

The idea is flexible financial reporting, not prescription. If nothing else, such disclosure signals to shareholders that the board recognises the importance of performance measurement.

EUROPEAN INVESTMENT BANK

Offer to back high-speed rail route to France

By Charles Batchelor,
Transport Correspondent

The European Investment Bank is prepared to lend substantial amounts to finance construction of the 110km rail link between the Channel tunnel - which links England and France - and London, and the modernisation of the London Underground network, Sir Brian Urwin, the bank's president, said yesterday.

The EIB is the European Union's long-term financing institution and is able to borrow more cheaply than some governments.

The bank outlined its willingness to back some of the government's high profile transport projects at a meeting with John Prescott, deputy prime minister and chief transport minister, on Thursday.

Sir Brian's comments coincided with the announcement that HSBC Markets and Warburg Dillon Read have been chosen as joint lead managers of the first tranche of up to £2.65bn (\$4.4bn) of sterling bonds to be issued to finance the rail link. The bonds will carry an unconditional government guarantee.

The bonds will be issued early in the new year and are expected to comprise a first tranche of \$1bn repayable in 2010 and a second tranche of up to £1.65bn repayable in 2008.

The Channel tunnel rail link and the west coast main line between London and Scotland form part of the trans-European network of transport, telecommunications and power projects

agreed in 1994. The EIB is looking at the possibility of issuing bonds tied to specific projects to make it easier to raise funds with 30-year maturities and more. It has already lent \$200m to London & Continental Railways, promoter of the £5.8bn rail link project, agreed in October.

"I have made it clear to the British government that if they wish, we are prepared to lend more," said Sir Brian. The EIB is also prepared to advance funds to Railtrack, the private company that runs the UK's railway infrastructure, to finance the £2.1bn upgrade of the west coast line.

"We are prepared to consider substantial finance for the Underground," Sir Brian said. The bank would provide funds to the private sector concessionaires who are expected to take over management of network's infrastructure.

A final decision on the way in which \$7bn private finance is to be brought into the Underground will be announced by the government shortly.

The European Commission yesterday approved British Airways' involvement in the Eurostar high-speed train service between London, Paris and Brussels.

But if the airline raises its stake in the venture at a later date the commission will want to take a second look. Initial clearance has been given despite concerns among rivals at the company running both rail and air links between the three capitals.

Rover workers accept BMW pay and job cuts

By Juliette Jowit in Birmingham

Workers at BMW's Rover offshoot yesterday backed a package of job losses and pay cuts to save the company's Longbridge factory while the company demanded further cost savings. Union members voted by more than 70 per cent for the measures, in return for up to £2bn (£3.3bn) investment by BMW, although most is conditional on aid from the government.

Bernad Pischetschneider, chairman of BMW, said: "This decision is a milestone. We are very pleased with the result." But Harry Dunleavy, Rover's chief negotiator, warned that there would be further cost savings. "This is the first step. It will make a massive difference to productivity, then we'll be looking for the next step."

Tony Woodley, chief negotiator with the Transport & General Workers' Union, said: "The vote is a vote for commonsense, a vote of confidence in BMW and gives a real prospect of a bright future."

The ballot - in which 80 per cent of the 80,000 unionised workers voted - approved between 2,500 and 3,000 job losses, a more flexible 36-hour working week, and no overtime or Saturday bonus. It followed a threat by BMW, which faces losses of \$600m at Rover this year, to stop investment and close Longbridge at Birmingham.



Tony Woodley of the Transport and General Workers' Union speaking yesterday to David Bower, Rover's personnel director (left), discussing the workers' vote.

In the English Midlands, union workers agreed the cost savings. The ballot covered Longbridge, the UK's biggest car plant employing 14,000 workers, and factories at Cowley, near Oxford, 85km to the north-west of London, and Swindon, in south-west England. It also covered the Land Rover factory in Solihull, near Birmingham.

The vote immediately releases \$400m investment in the new Mini at Longbridge, and a further £1.8bn across the group, depending on state aid, estimated to be £200m. Mr Woodley said he was confident the government would back BMW's plans for renovating the sprawling Longbridge plant.

Six hundred workers have already taken voluntary redundancy over the last three weeks, and another 3,500 have made inquiries. Pay-offs have been between £5,000 and £50,000.

Industry leaders in the Midlands have welcomed the deal, but some believe more drastic action is needed for Longbridge to compete in an industry with over-capacity. The company hopes to avoid further redundancies by increasing production from 500,000 cars to 700,000 cars a year in five years, said Mr Dunleavy. The agreement is being studied by other carmakers, including Ford which has factories in London, south Wales and north-west England.

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24 HRS GLOBAL OFFSHORE TRADING

Support urged for 'clusters'

By Brian Green in London

The government will embark next week on a potentially controversial search for ways to encourage the growth of high-technology industries in the UK's most environmentally sensitive areas.

Peter Mandelson, the chief industry minister, will announce the aims of a six-month review of how planning processes can promote the needs of "clusters" of businesses in growth industries. The project was overshadowed by Gordon Brown,

the chancellor of the exchequer, in his pre-Budget statement last month.

The government believes Britain's economic future lies in high-technology industries but faces protests from conservation groups in expanding areas.

The issue is most acute in the county of Cambridgeshire to the north of London - potentially Europe's strongest rival to California's Silicon Valley - which is said to face a 35 per cent increase in population by 2021. Similar conflicts between business and the environment loom

in counties such as Berkshire and Oxfordshire to the west of London.

John Prescott, deputy prime minister and chief environment minister, last month deferred a decision on Wellcome Trust's application to build a science park next to its human genome research centre outside Cambridge.

A planning inspector backed the municipal authority's rejection of the scheme, but Mr Prescott said some aspects were in the national interest and asked for more evidence.

Asparagus Kid may quit in racecourse upheaval

By Colin Cameron
in London

A revolution is under way in racecourse betting that could spell the end of Mickey "The Asparagus Kid" Fletcher and his colleagues.

Bookmakers will arrive tomorrow at the Sandown Park track near London for the first-ever auction of betting pitches at Britain's 69 racecourses.

The old system of "dead men's shoes" - where a departing bookie was replaced by the next old stager in line - is being replaced by a free market.

The auction, the first of three, is a reflection of racing's need to bolster the on-course market, which provides the starting prices for city betting shops. More than 330 places nationwide are for sale tomorrow.

Some of the bookmaking ring's most evocative characters - The Asparagus Kid, Dave Da Costa, Stephen Little and his ankle-length fur coat - may go. For them, paying for the privilege of standing in all kinds of weather may seem too much for the difficult business of making a profit from a race-going public that increasingly prefers to place bets through other channels.

Others are quitting because of apathy, age or health. They hope to make some cash instead of passing on a pitch to a business partner or relative. No one can gauge what prices may be, but pitches at Ascot were valued by the National Joint Pitch Council at up to \$8,000.

It has taken eight years to end the old status quo. Talks between the bookmakers and the Racecourse Association stagnated until the Horse Racing Betting Levy Board imposed its authority.

An independent committee concluded that pitches should be auctioned and that bookies must attend at least 30 per cent of track meetings.

NEWS DIGEST

COURT OF APPEAL

French company's offshoot fails to block rail strike

An attempt by Vivendi's Connex South Eastern offshoot to block industrial action scheduled to begin next Monday was rejected yesterday at an emergency sitting of the Court of Appeal in London.

The court upheld a High Court ruling earlier in the day that proposed industrial action by conductors on Connex trains in south-east England was not unlawful. Connex, a privatised train operating company, is now part of the French utility Vivendi. The National Union of Rail, Maritime & Transport Workers, the largest UK trade union for railway workers, has urged its 230 conductor members to ban overtime and rest day working from December 14 to December 19.

Connex opposed the proposed ban on the basis of disputed ballot procedures. They argued that the union obtained a ballot majority in favour of strike action but that the action it has in fact called is not strike action but a ban on overtime and rest day working. The courts ruled that it was a strike.

FILM INDUSTRY

Subsidy to be cut by \$12.5m

Chris Smith, the culture secretary, will on Monday announce that the film sector's share of National Lottery subsidy will be cut to roughly £27.5m (\$45.85m) a year, some £7.5m less than the industry had hoped.

The lottery cutbacks, which follow months of haggling between government and the Arts Council, will be a blow to the film industry, whose recent revival is endangered by a reduction in US investment and the proposed merger of PolyGram, one of the UK's most dynamic producers, into Universal, the Hollywood studio.

The Arts Council has been trying to claw back part of the lottery money given to film since July, when Mr Smith announced that responsibility for lottery film funding was to be transferred to a newly created Film Council. The new body, which should be fully operative by April 2000, will also absorb other film funding bodies, including the British Film Institute and British Screen. Mr Smith will unveil its details on Monday. Alice Rawsthorn, London

HEROIN SMUGGLERS JAILED

'Mourners for Diana' claim

Three heroin smugglers from Berlin who posed as mourners en route for the funeral of Diana, Princess of Wales in September 1997, were jailed by a London judge yesterday after being found guilty at an earlier hearing. They were caught with £3.4m (\$5.4m) worth of the drug during the two-minute silence held for the princess and told Customs officers at the English port of Dover they were on their way to pay their respects.

The judge said that the 118kg of heroin they had picked up in Zagreb, Croatia, and then smuggled to England was a "massive" amount. He sentenced Jürgen Schmidt, 44, an unemployed truck driver to 23 years, Torsten Klann, 29, an unemployed toolmaker, and Simone Meyer, 29, were jailed for 17 and 15 years respectively. The court heard that another drug smuggler associated with Schmidt was serving 18 years in Turkey.

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Weekend December 12/December 13
1998

Oiling the wheels of deflation

Of all the prophecies of economic doom, that made by the Club of Rome in 1970 looks about the most foolish – especially this week. The Club, established by a group of international experts and politicians, proclaimed in its report, *Limits to Growth*, that the world was running out of basic commodities and that prices would soar.

For a time it seemed that they were right, especially after 1973, when oil prices quadrupled as a result of the two oil shocks. Since then, however, the world economy has continued to grow, while commodity and oil prices have weakened. Yesterday, the Bridge/CRB Futures Price Index reached a 21-year low. Brent oil meanwhile fell below \$10 a barrel, the lowest in real terms for a quarter of a century. Non-oil commodities now cost about 70 per cent less in real terms than when the Club of Rome was issuing its warning.

The implications for the world economy may prove profound, as Wall Street seemed briefly to acknowledge this week when stock prices were marked down in response to a further downward lurch in commodity prices. Investors are no doubt worried that falling oil and commodity prices may represent a chill wind preceding recession – or at least a sharp slowdown of the world economy.

Prices have been falling so sharply that they may also herald another danger – that of cumulative deflation. This week there was some evidence that commodities producers have been trying to offload stocks before prices fall further, while buyers, naturally, are inclined to wait to get a better deal. Copper prices have collapsed by 40 per cent since the middle of last year and wheat prices have fallen by a quarter since the beginning of this year. It is not difficult to imagine that such behaviour might gain a self-reinforcing momentum.

Global implications
If that happened, the consequences for the developing world would be dire. And despite the huge benefits that cheap commodities have conferred on the industrial countries, they too would feel the backwash.

According to the World Bank's latest estimates, growth in Latin American and Caribbean countries is set to decline from more than 5 per cent last year to almost nothing in 1999. The global implications of a further worsening of the terms of trade for Brazil and other indebted countries hardly need emphasising.

For oil producers, the recent price weakness has appeared particularly dire. Revenues of members of the Organisation of Petroleum Exporting Countries is set to decline by \$80bn this year. In the short term, such shocks are likely to have a contractionary influence on the world economy, particularly if, as seems likely, the richer economies are slow to consume the extra wealth which low commodity prices is transferring to them.

Price signals

Such difficulties should not, however, blind policymakers – or investors – to the fact that the recent trend in commodity prices is very good news for the industrial world. First, it is a reminder of why the Club of Rome was wrong: producers and consumers have proved much more responsive to price signals than they expected. Huge technological advances in oil production, mineral extraction and agricultural yields have increased output and lowered costs. Then, consumers have shown that big economies in energy consumption are possible when prices rise, while expensive raw materials can often be replaced by substitutes.

Such technological advances have helped to keep metals prices falling by between 1 and 3 per cent a year for the last decade and have certainly contributed to the weakness of oil prices. These movements might seem to open the possibility of a glorious period of non-inflationary growth in the west, with low long term interest rates – at least when the effects of this year's crisis have worked through. Cheap raw materials have also been a big help to the US and to the UK economies, allowing them to grow at or above full capacity, with subdued inflation.

But to capture the full benefits, the authorities need to be continually alert to the deflationary dangers that falling world prices may create, in the short term at least. Interest rates may have to fall further, even to levels which central bankers might otherwise think imprudent. In the longer term, if oil prices stay low, as the World Bank expects they will, the case for higher energy taxes will be strengthened. These may be desirable to curb excessive consumption and so prevent damage to the environment, although governments must not use them as an excuse to lever up the overall tax burden. But such taxes would only offset lower prices. And they would be needed because, happily, the ghost of the Club of Rome has finally been laid to rest.

Clinton in Holy Land

Judy Dempsey explains why the US president is likely to get a hostile reception when he arrives in Jerusalem

Clinton go home" the posters in Jerusalem say (even before he arrives). Others show President Bill Clinton with a traditional Arab headdress. "I am a Palestinian" runs the mocking headline above the photomontage.

It is, to say the least of it, a less than warm welcome for the president of the country that is Israel's staunchest ally, who is due to begin a three-day tour of the Holy Land today.

The visit was intended to celebrate the peace process that Mr Clinton helped revive two months ago. But the Wye Plantation accord, signed by Israeli and Palestinian leaders, is going nowhere. The promised handover of more Israeli land to Palestinians is not happening, while Palestinians have staged violent protests to demand the release of political prisoners.

Instead, the occasion could have a different significance. Mr Clinton is to address the Palestinian parliament. That could mark an historic change in the relationship between the US and the Palestinians. And that in turn would have a wider significance both for US-Israeli relations and for US policy in the Middle East as a whole.

As the posters in Jerusalem make clear, Mr Clinton's Israeli hosts do not much want him in town. Several ministers have been carping about the state visit, with some even suggesting the trip should be cancelled. Benjamin Netanyahu, the prime minister, offered a less than gracious welcome by declaring: "If he wants to come, he should come. If he does not want to come, he should not come." For Mr Clinton, who is leaving the impeachment debate in Washington, it must feel like jumping out of the frying pan, into the fire.

The cause for the Israeli government's discontent is that, for the first time, a US president will set foot on Palestinian soil. Mr Clinton will visit Gaza City on Monday, where he will address the Palestine National Council, the "parliament" of the Palestine Liberation Organisation.



The Arabic caption: 'I'm a Palestinian' with a poster image of President Clinton in Jerusalem

Mr Clinton's address to the Palestine National Council will be steeped in symbolism. It will take place almost 10 years to the day since the US began a dialogue with the PLO, then viewed by Washington as a terrorist organisation. It will inevitably be construed by Israel as giving implicit US backing to the Palestinian quest for statehood. So concerned are Israeli leaders that a proposed meeting between the US

leader, Mr Netanyahu and Yasser Arafat, president of the Palestinian Authority, may be cancelled because of Mr Clinton's controversial visit to Gaza.

US diplomats said Mr Clinton wants to use the Gaza visit as an opportunity to redress the unequal relationship between Mr Netanyahu and Mr Arafat.

"Of course they are unequal partners, given Israel's overwhelming strength," one US dip-

lomats said. "But Clinton saw how Netanyahu looked down on Arafat during the Wye talks. He disliked such humiliation. I think Clinton realised the peace process would never succeed without a sense of partnership or respect between both leaders. In some ways, despite Arafat's past and style of leadership, I think Clinton respects him. He wants Netanyahu to know this."

Not that Mr Clinton is likely to

gain much popular credit among Palestinians. On the streets of Gaza, there is hardly a US flag in sight. No posters celebrate Mr Clinton's arrival there.

Perhaps this is because America's diplomatic shift has little significance for ordinary Palestinians, many of whom remain sceptical, indeed unenthusiastic, about Mr Clinton's historic visit. "The US will always back Israel against us," said Faysal Khalid, a teacher who lives in a refugee camp. "I admit Clinton's visit is symbolic. It is a big push for our state. But our faith in Clinton will increase if he can get our people out from jails, get us the right to travel to Jerusalem and the West Bank, and tell Arafat to respect human rights."

Other Palestinians, however, are conscious of the symbolism of the visit, as Ziad Abu-Amr, a legislator, explains: "Clinton's visit represents recognition of some kind and perhaps an indirect endorsement of what the Palestinians are trying to do, which is to establish their own state."

That is exactly what the Israeli government fears. David Bar-Ilan, adviser to Mr Netanyahu, yesterday said he hoped the presidential visit was "not perverted into an implicit American recognition of the Palestinian attempt to unilaterally declare a state."

If, by next May, there is no progress on the peace front, Mr Arafat has said he will proclaim the independence of Palestinian territories. Israel has responded by threatening to annex Palestinian controlled areas of the West Bank.

US diplomats concede it will be difficult for Mr Clinton to assuage Israel's fears regarding Washington's closer ties with the Palestinians. The president is also unlikely to change the minds of Israeli ministers who oppose the Wye accords, just as he is unlikely to meet the expectations of what he can do for the Palestinians.

But if he is to have any chance at salvaging the peace process in the coming days, it could well depend on Mr Netanyahu accepting Washington's changing relationship with Mr Arafat.

Delicate touchdown among the stateless

Clinton's visit to Gaza could help the Palestinian quest for nationhood and boost US standing in the Arab world, says Stephen Fidler

Originally seen as a celebration of the Wye accord, President Clinton's trip to Israel and the Palestinian areas is being viewed instead as a salvage operation.

The visit was envisaged as part of an agreement that was never going to be easy to implement. "We knew when we left Wye that we would be facing a bumpy road, and some of those bumps have already been jarring," Madeleine Albright, US secretary of state, said yesterday.

But the visit's timing is proving more difficult than anticipated. Not only is an impeachment challenge against Mr Clinton rolling forward in Washington, Mr Netanyahu's political future and that of

his government hangs even more precariously in the balance.

That has meant Mr Netanyahu has had to react sympathetically to the attacks on Wye from rightwing parties in his coalition.

Stephen Cohen, vice-chairman of the Centre for Middle East Peace and Economic Co-operation, says the visit may well not look like much of a success.

Its main importance will lie in the enormous symbolism attached to Mr Clinton's visit to Gaza city.

"What's extraordinary is a sitting American president going to

a Palestinian national meeting, the very body that the Palestinians see as the embodiment of their aspirations," he said. "In retrospect, people will recognise that Palestinian legitimacy has taken another huge step forward."

Zoe Danon Gadai, a fellow at the Washington Institute for Near East Policy, says the symbolic importance of the visit to Palestinian areas "is one of the few things" that Israelis and Palestinians can agree on.

When Mr Netanyahu signed on to the visit at Wye, he "didn't realise the symbolic significance", says Mr Cohen. That is

why Mr Netanyahu's government has made every effort to chip away at its impact, for example by pressing the Americans not to land Air Force One, the president's sky-blue Boeing 747, at Gaza's international airport. The president will arrive by helicopter, not by car as the Israelis wanted.

Publicly though, the US is insisting that the visit does not confer sovereignty on Palestine and is not meant to. That issue, as Mrs Albright reiterated yesterday, is one for the "final status" talks scheduled for May. The key to Mr Clinton's peace-brokering in the Middle East, as

it was in Ireland, may be that he has managed to view the problem from the vantage point of those who have traditionally had few backers in Washington. In Northern Ireland, this was the majority Protestant community; in the Middle East, it has been the Palestinians.

A closer relationship with the Palestinians may, incidentally, improve the US's standing with the Arab world, which has long been critical of Washington's perceived unquestioning support for Israel.

The visit was therefore always meant to be a reward to Mr Arafat for the great distance he moved to get any agreement at Wye. That asymmetry has been made more problematic as Mr Netanyahu's government has struggled to hold on to power.

LETTERS TO THE EDITOR

A national laughter index

From Mr Frank Blackaby.

Sir, The array of lifestyle economic indicators now being suggested should help to connect public policy somewhat more closely to human satisfactions. There is still some way to go.

Life should be fun. The aim of policy should be to help more people to have more fun in life. People who find life fun smile and laugh more than those who don't. This suggests a good general indicator of policy success.

We need an array of laughter meters randomly distributed in homes, offices, streets and public places. A national laughter quantum should be calculated. There would have to be some seasonal adjustment. There should also probably be some allowance for national tragedies, such as the failure of British footballers to make it to the World Cup.

There may be a trend of gentrification by which smiling is

replacing outright laughter. It is a bit more difficult to calculate a national smile quantum, but it could be done. Most people show their teeth when they smile, and the very large number of cameras which now observe our every move could be programmed to pick up teeth-displays. It is true that a few people display their teeth when they are angry; but that is probably a small and stable percentage of the total.

These ideas may not go down well with the Scottish Presbyterian branch of the Labour Cabinet. It will not be easy for them to change their standard speeches – from claiming that they are making Britain great again to claiming that last year they raised the National Fun Index by 2 per cent. Mr Prescott might perhaps go for it.

Frank Blackaby,
9 Fentiman Road,
London SW8 5LD

Skeletons in China's closet

From Bill Tignanello.

Sir, I read with interest Paul Abraham's article on "Japan's wartime ghosts" (November 28). I agree with all of his points as they relate to Japan. As for China, while Japan committed horrific atrocities against the Chinese people, it pales in comparison to policies of the leaders of China. Chairman Mao's Great Leap Forward killed millions of people and the Cultural Revolution was 10 years of terror. And who can forget Tiananmen Square. Japan needs to address its wartime past, and China needs to address its own killing of Chinese citizens. Then President Jiang may hold his head high when he next talks to the Japanese. Nothing is worse than a government that kills its own.

Bill Tignanello
502 S. Sharp St.
Baltimore, Md. 21201 USA

Japanese grammar is not ideology

From Ms Sarah Newton.

Sir, Having lived and worked in Japan for five years, speaking Japanese on a daily basis, I can sympathise with Gillian Tett's indignation ("A minefield of respectful words", November 28) that men and women have different ways of doing things over there which are different from our different ways of doing things over here. Nor is she the first westerner in Japan to go down with an acute case of White Man's Burden.

I do assure her, though, that her indignation will pass and she will realise – once she understands that "b-tarazi" represents grammar and not ideology – that Japan's language and culture require a certain degree of insight to appreciate, rather than any gung-ho culturally imperialist "solution" which she seems to think necessary.

The phrase "honourable toilet" smacks of a late-Victorian fascination with quaint foreigners. Perhaps it's worthwhile recognising that the 120m Japanese seem to get round the "considerable ambiguity" of their language and understand one another perfectly well without the "streamlining" she seems to support. Coming from a culture buzzing with "inappropriate relationships" and "collateral damage", we're hardly in a position to throw stones. After all, it's not polite.

Sarah Newton,
4c Lowfield Road,
West Hampstead,
London NW6 2PR

Wine guide sorts the chaff from the wheat

From Mr Tom Stevenson.

Sir, Giles MacDonogh's comments about my Millennium Champagne & Sparkling Wine Guide ("A glut of reading for the armchair gourmet", December 5) are completely unfounded. The book clearly states that none of the "naïstest champagnes and sparkling wines" he refers to are included. The very ethos of this annual buyer's guide is to sort the chaff from the wheat, thus only 900 of the 2,000 wines I tested qualified for inclusion.

MacDonogh obviously has a hang-up about scores in general

and 100-point systems in particular, but when faced with hundreds of tasting notes the reader has a right to expect the author to indicate whether one wine is preferred to another and, if so, by how much. I use the entire span of my percentile points: to achieve a score of 50, a wine has to be clean and sound, although it will not have many other redeeming features, while wines under 50 have varying degrees of technical faults or are simply repulsive. A wine scoring 60 has some potential, but to achieve 70 points it must make interesting

drinking, thus I use this score as the entry level for my millennium guide.

This is why the average rejection rate for the guide was 65 per cent, with as much as 77 per cent of the Cava and 80 per cent of the Sekt failing to qualify. I hope this clarifies the situation for any readers who might have been misled by Giles MacDonogh's review.

Tom Stevenson,
7 Bridge Street,
Winey,
Oxon OX8 6BY, UK

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Dictator at the bar, how do you plead?

After General Pinochet, who might be next, asks David Buchan

General Franco died well before international human rights law became fashionable. Even so, he played it safe. In the 30 years he ruled Spain after the second world war, he only went abroad once, to visit his fellow dictator President Salazar of Portugal. And the generalissimo took precautions, arriving by sea, it is said, with three cruisers and six destroyers.

If there is one clear lesson to be drawn from the case of ex-President Augusto Pinochet of Chile, it is that former dictators are best advised to stay at home. For it was the Chilean dictator's confidence that he could come to London, shop at Harrods, and take tea with former prime minister Margaret Thatcher - all with impunity - that has now put him at risk of being extradited to Spain on charges of murder, torture and kidnapping.

Who else might be at risk? Incumbent dictators still seem to be safe, even if they travel. When President Laurent Kabila of Congo went to Paris last week for a Franco-African summit, the French government let it be known that it would not entertain any attempt to put its invitee in the dock, because he had sovereign immunity (unlike Gen Pinochet, he is a serving head of state). No western government would dare arrest any visiting leader from China, with which the west now has a dialogue on human rights and, more important, big commercial contracts.

No doubt western governments would treat dictators of pariah states differently, if they could

get hold of them. "Clearly we couldn't have Saddam Hussein doing his Christmas shopping at Harrods," said a UK minister, but then the Iraqi dictator does not travel outside his country. Nor generally does President Slobodan Milosevic of Yugoslavia. He has in recent years made the odd trip to Russia (for peace negotiations over Kosovo) and to Greece (which is traditionally pro-Serb). But the International War Crimes Tribunal on the former Yugoslavia has yet to accuse him of anything, and unless or until it does, he is probably safe, even outside his own country.

In these cases, "sovereign

immunity" would seem not to apply even to serving heads of state. For former dictators, the UK ruling that such people cannot claim sovereign immunity will make them hesitate even longer before they finalise their travel plans. Ex-president Suharto is still in Indonesia and has not been charged with anything by his successors. But he might think twice before going abroad for medical treatment.

In theory, others who have taken refuge abroad could feel threatened by the Pinochet ruling. But by and large they have chosen host countries which

remain impermeable to human rights law and have few or no extradition agreements with other countries. Thus Idi Amin, the former Ugandan dictator, is probably safe in Saudi Arabia as are Ethiopia's former dictator, Mengistu Haile Mariam in Zimbabwe and ex-President Alfredo Stroessner of Paraguay in Brazil.

An exception could be Jean-Claude "Baby Doc" Duvalier of Haiti who may find himself vulnerable if he stays in France. But is the Pinochet precedent, which might lead to a trial in Spain of a non-Spaniard accused of crimes committed outside Spain, open to abuse? The spectre

of the actions were acts of state (though perhaps not in the Iran-Contra affair) and did not in any case constitute major or systematic breaches of the laws of war or human rights.

Before jumping to too many conclusions about the wider impact of the Pinochet affair, it may be necessary to wait to see how the case against the ex-dictator actually fares. But it is not too early to detect a change in international opinion and even international law wrought by the Pinochet affair.

The Pinochet Defense



The air of assumed impunity surrounding ex-dictators suddenly seems to have evaporated: people are realising the ex-emperors have no clothes. One sign of this was the way that other governments - Switzerland, Sweden and France - piled in with their extradition requests in the wake of Spain's demand for Mr Pinochet to be handed over. These other governments give priority to Spain's extradition request, would probably be horrified if the Chilean senator ended up on their soil, and are just jumping on the human rights bandwagon.

But a bandwagon there appears to be - even in Latin America. True, at this week's Mercosur summit of the South American trade group, there was backing for Chile's protest at Britain's behaviour in the Pinochet affair (though not from Brazil). But the Mercosur leaders also said they "support the progressive development of international norms on the individual responsibility of individuals who commit crimes of international transcendence". However, it is in Europe that

the new international human rights order is taking shape fastest. This is happening partly through the activities of the continent's investigating magistrates such as Judge Baltasar Garçon (who brought the original indictments against Gen Pinochet) and partly through the broader work of the Council of Europe and its human rights convention and court. "The Council of Europe used to be a club of conventions between like-minded states codifying what they already do," says Andrew Carter, the UK ambassador to the Council. But in the past decade Russia, Ukraine and more than a dozen ex-communist states have brought the Council's membership up to 40. "The task now is to take in all these countries, but prevent our human rights standards being diluted or weakened," Mr Carter says.

Outside Europe, the main bulwark against human-rights abuses is the new International Criminal Court. The aim of the court is to provide a permanent body where crimes of genocide, crimes against humanity and war crimes could be judged, if no national prosecution were launched. It will be mid-2000 at the earliest before the necessary 80 states have not only signed but ratified the convention and the court can start work.

If the international court were now already in existence, it could indeed have provided the right forum for trying Gen Pinochet. The court can exercise jurisdiction only if it gets the go-ahead from the accused's home state or from the state on whose territory the crimes were committed. In the Pinochet case, that would mean Chile on both counts. But Chile actually signed the convention in September just before the Pinochet affair blew up. Indeed before the UK House of Lords, Gen Pinochet's lawyers argued the court could be an appropriate

forum to try their client. But human rights activists dismissed this as a smokescreen put up in the knowledge that a working court is still some way off. They also pointed out that the international court gives action through national courts priority. The major political obstacle still facing the international court and a new world human rights order is the US opposition, rooted in Washington's fear that its soldiers, spread out across the globe, will be the target of "frivolous" charges of war crimes. The US voted against the court, essentially because it would not be able to veto such suits. The Pinochet case has turned the US even further against the idea. Seeing what a diplomatic-legal crisis a free-wheeling Spanish magistrate can unleash has, in the words of a senior White House official, "only confirmed us in our opposition" to the putative world court.

Fair share ruled out for soccer fans

Patrick Harverson considers one of the most neglected players of the corporate world, the game's shareholder-supporter

Who'd be a shareholding soccer fan? On Wednesday, the once-mighty Dutch club Ajax of Amsterdam was eliminated from the elite European Champions League after a humiliating 3-0 loss to Porto of Portugal. The next day, the Amsterdam stock market wiped 10 per cent off the value of Ajax shares in response to the loss, adding financial insult to sporting injury.

As Paul Goyder, founder of the Centre for Tomorrow's Company and a keen Arsenal follower, says of the "double jeopardy" faced by shareholder-fans: "You buy shares in the club and they do horrible things to you, and because they do horrible things to you, your share price falls."

That is not the only recent problem. This week, shareholder-fans of Newcastle United stood by helplessly as shares in their club fell further, dropping to just two-thirds of their issue price after the chairman and two directors resigned in protest over the return to the board of the club's two controversial majority shareholders.

Such events, both on and off the pitch, are highlighting tensions inherent in one

of the more curious relationships in business life. They could end by forcing the companies to come to terms with their unique constituency of shareholders.

Clearly, the shareholder-fan is not your normal sort of shareholder. Yet few quoted soccer clubs, says Mr Goyder, believe this is worthy of recognition.

"In the soccer supporter, you have a coming together of several of the different relationships that make up a normal business," he explains. "You are talking about someone who is a shareholder, someone who is a customer, and someone who is - if not an employee - then at least like one in the sense that they are the supplier of some indefinable force called support, without which the soccer club would not exist."

"So the point the clubs have missed is that you are not talking about one relationship, but three rolled up into one. An intelligent club would say: 'If I've got this much goodwill wrapped up in one person, then I should start arranging' a special dialogue with them and special governance structures."

Yet in the UK, only one club, Charlton Athletic, has

a shareholder-fan representative on its board of directors. He speaks for the 3,000 fans who own 17 per cent of the club.

Charlton, however, is the exception that proves the rule. Jonathan Michie is professor of management at London University and a founder of the Shareholders United Against Murdoch group, which opposes the proposed takeover of Manchester United by BSkyB. Rupert Murdoch's satellite broadcaster, he says: "What's been missing from all these soccer flotations is any representation of small shareholders through the club or on the board. You would expect it from companies that fit the New Labour ideal of a stakeholder company."

The concept of stakeholding may not be easy to define, but by any standard, the shareholder-fan is as good an example of a stakeholder as anyone in corporate life. Roger Taylor, director of the soccer research unit at Liverpool University and a lifelong advocate of fan power, says too many clubs regard shareholder-fans as a nuisance. "Clubs see that kind of stakeholding relationship as one of the disadvantages of going public," he says. "It has forced them into answering questions from people whose interest is not just how much profit can be provided for them from their shareholding."

Some clubs go to extreme lengths to avoid such questions. Sunderland, for example, held its first annual meeting as a public company in London on the day of a match that many of its shareholder-fans would have attended in Bradford.



Which way to the shareholders' meeting?

However, some shareholder-fans believe their presence on the club's register has at least given them an opportunity to express opinions directly to the managers which was denied them as ordinary fans.

"Compared to, say, a shareholder in a utility, soccer shareholder-fans are treated badly by the clubs, but compared to how the fans have been treated in the past, at least share ownership has

given them a little bit of leverage," says Prof Michie. With 23 per cent of the equity between them, Manchester United's shareholder-fans own more of the club than the directors and more than any single City institution. But at last month's annual meeting they failed to persuade management to give them a seat on the board and a say in the running of their club; a club that could soon be part of a multinational media group that is even less likely to give the fans a say in United's affairs.

There is a crumb of comfort. The club's shareholder-fans can console themselves with the thought that their team - unlike Ajax - is still in the European Champions League. But the day after Manchester United secured its position, the shares did not move an inch. The life of a soccer shareholder-fan is indeed a difficult one.

Fizzed out

Schweppes is being swallowed by Coke, says John Willman

Jacob Schweppes, the German jeweller who invented the modern carbonated soft drink more than 200 years ago, must be turning in his grave. In most of the world, the drinks that bear his imprimatur will soon be owned by Coca-Cola, an American upstart created almost a century after Schweppes' "aerated water".

Jacob's name is still in the title of the UK company that currently owns Schweppes, but along with a portfolio of other soft drinks such as Canada Dry ginger ale, Dr Pepper and Crush. But Cadbury Schweppes is to sell its soft drinks interests outside the US to Coke, largely severing the connection with one of its two founders.

The sale marks the end of an attempt to conquer the world for British soft drinks that began in 1959, when Schweppes merged with Cadbury, a chocolate company with global ambitions. The fashion for shareholder value in the management of large groups now means that Cadbury Schweppes has decided to take the \$1.6bn (£1.1bn) offered by Cadbury rather than persevere with building a global market for its drinks brands.

"These brands are famous and profitable," said John Sunderland, Cadbury's chief executive and an evangelist for value management. "However, they can be more successfully grown outside

the US within the broader international infrastructure which Coca-Cola has established over many years."

The brands are certainly profitable: 256m of trading profit on sales of £167m - a thirst-quenching 35 per cent margin.

In the US, where a third of the world's soft drinks are consumed, Cadbury's Dr Pepper/7 Up drinks subsidiary has 16 per cent of the market. In the rest of the world, the UK group has only 3.1 per cent.

Cadbury has long spoken enthusiastically of the potential for growth for these soft drinks worldwide. But turning potential into reality means getting the drinks to the consumer.

That requires bottlers to package and distribute the products to wholesalers, supermarkets and fast-food restaurants. Bottling is a capital-intensive operation needing big production lines and fleets of lorries - plus investment in cooler cabinets and vending machines within "an arm's length from desire", as Coke puts it.

In the US, Cadbury can reach its consumers through three bottling networks: Coke's, Pepsi's and a myriad local independent bottlers. Coke is the biggest distributor of Dr Pepper, for example, while most 7 Up goes through the Pepsi system. The independents handle the drinks the two cola giants regard as competitors.

In the rest of the world, however, only Coke has a coherent distribution network. These are its 10 "anchor bottlers" such as Coca-Cola Enterprises in the US and UK and Coca-Cola Beverages in eastern and central Europe.

Cadbury had the option of creating its own global bottling system - but yesterday's sale means it has decided it has better things to invest in. Mr Sunderland believes the group can get better returns by making acquisitions on the conservative side of the business.

"Sitting up a deal with Coke was the only logical solution to the problem of distribution outside the US," said David Lang, analyst at Henderson Crosthwaite. Cadbury will retain its soft drinks interests in the US where it has critical mass and secure "routes to market". Schweppes, Canada Dry and Dr Pepper will then have two owners worldwide, in the same way as 7 Up, which is owned by Cadbury in the US and Pepsi elsewhere. That has not been a huge success for 7 Up, however - it has lost market share to competitors such as Coca-Cola's Sprite.

The outlook, then, for Jacob's heritage is much less certain. Coke will give his aerated waters global distribution, at the expense of divided ownership. Not a recipe for fizzy growth.

MAN IN THE NEWS TOM MCKILLOP

Fuddy-duddy of drugs

David Pilling on a chemist's trip from student radical to overseer of AstraZeneca, the massive pharmaceuticals merger

to Peter Doyle, like Dr McKillop also, a graduate of Glasgow University. Mr Doyle was a signed-up fuddy-duddy. He had joined ICI a few years earlier and thought the UK chemicals company would be keen to take on a man of McKillop's gifts (he had graduated in chemistry with the highest marks in his year).

Dr McKillop was initially unimpressed. "And then Peter said: 'Only a fool could begin a career without considering the alternatives.' That was so compellingly logical, it was the end of the discussion."

Dr McKillop duly presented himself for interviews at ICI's Runcorn site and was sufficiently bowled over by the discussions that he joined the company on the spot.

He was like an impulsive young man signing up for the army. "On the plane going back to Paris I had to figure out how on earth to tell my wife," he recalls. "We had bought a house in Glasgow and everything. My wife

married someone she expected to stay an academic, having studied round for stew, that kind of thing. She sometimes reminds me of the lack of consultation," he says with studied understatement.

Now his life is to change dramatically again. Only a few years ago he was technical director of ICI Pharmaceuticals, an important job, but some way off the rarefied air he is about to breathe. When Zeneca was spun off as a standalone pharmaceuticals company in 1993, he helped ensure that the child outstripped its corporate parent by pushing a series of new drugs through research and development.

Is he equipped to oversee its next phase? Zeneca is British, Astra is Swedish - and cross-border mergers are notoriously messy. He will be required to balance the market's desire for rigorous cost-cutting with the need to build a new corporate identity. One long-time Zeneca-watchers is unsure that Dr

McKillop is up to the task. "He has not had a great deal of experience at rationalising and cost-cutting. He has been managing growth at Zeneca, which demands a totally different set of skills."

Dr McKillop believes there is no need for a hatchet-man. The merger of Astra and Zeneca, he says, will be nothing like that previous giant UK drugs merger - Glaxo's aggressive takeover of Wellcome three years ago, a process from which the wounds have still not entirely healed.

But why the need to merge at all? Zeneca fiercely guarded its independence under the leadership of Sir David Barnes, whose silky style is in contrast to Dr McKillop's down-to-earth manner ("I'm not a yacht on the Mediterranean type"). The trouble is, analysts suggest, that after launching seven drugs in the past three years, Zeneca's pipeline has run dry. When those products, some of them in new therapeutic areas for Zeneca,

did not do as well as hoped, the company was forced to look for a partner.

Some have even blamed Dr McKillop for the predicament, since he oversaw the disappointing drug launches.

"This merger is not driven by necessity," he insists. "We believe and we have always believed that we have terrific prospects on our own. We are doing this because we are convinced that this [merger] is better than going it alone."

Two forces are driving consolidation in what is still a fragmented industry, he believes. One is the ever-escalating cost of coming up with new drugs as the revolution in genetics and molecular biology forces pharmaceuticals companies to delve deeply - and expensively - into the workings of the human body. The other is the cost of marketing, particularly the advent of direct-to-consumer television advertising in the US. More and more spending in both areas is leaving the smaller drugs companies trailing.

These pressures are real, agree analysts. But if Astra agrees with it the benefit of scale it also comes with liabilities. Most important is the imminent patent expiry of Loec, an anti-ulcer agent and the biggest money-spinner in the history of the drugs industry. If Astra cannot extend its patent on Loec beyond 2001, earnings will plummet. And the Swedish company does not have another blockbuster up its sleeve.

Sceptics say that, rather than filling Zeneca's empty-seeming pipeline, Astra may serve only to compound the problem.

Dr McKillop is convinced such criticisms are unfounded and that the two companies are a perfect fit.

He thinks back to his time as a student in France in 1968, when, in his opinion, those in charge had not moved quickly enough. The art of good management, he says, is to anticipate the difficulties and to react to a changing environment.

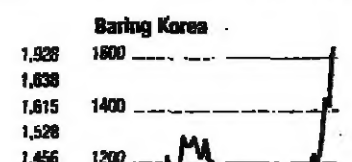
Good companies, he says, live permanently on a "creative edge of chaos". His conversion to management speak - even if the phrase is borrowed from his early days as a pure mathematician - suggests his journey from student radical to corporate fuddy-duddy may be complete.



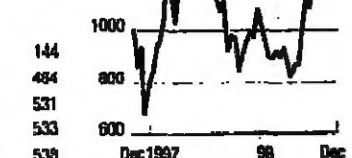
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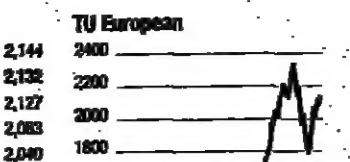
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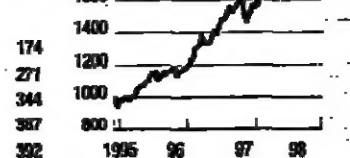
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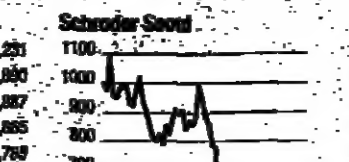
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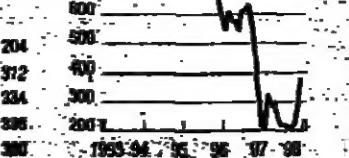
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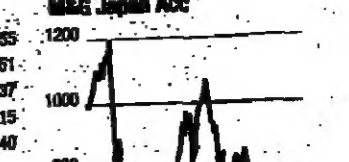
TOP FIVE OVER 5 YEARS



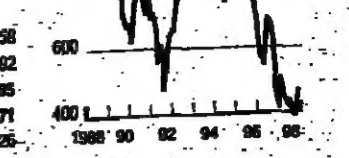
BOTTOM FIVE OVER 5 YEARS



TOP FIVE OVER 10 YEARS



BOTTOM FIVE OVER 10 YEARS



Tables show the result of investing £1,000 over different time periods. Trusts are ranked on 3-year performance. Warnings: past performance is not a guide to future performance.

Indices	1 year (%)	3	5	10	Volatility	Yield (%)
Alpha Unit Trust	1071	1242	1440	2329	4.4	2.4
Capital Investment Trust	1037	1230	1466	2280	6.2	4.4
Bank	1045	1123	1295	1766	0.0	5.7
Balancing Society	1043	1114	1202	1769	0.0	5.4
Stratagem Ltd	1085	1257	1388	2393	3.8	3.3
Tristram	1031	1058	1169	1502	0.3	-

UK Growth	1 year (%)	3	5	10	Volatility	Yield (%)
Jupiter UK Growth Exempt	1321	2127	-	-	4.8	0.8
Edinburgh UK Growth	1094	1806	1866	4303	4.3	1.5
Inver & Macmillan UK Growth	1050	1738	2288	-	3.6	1.9
Thornhill Capital	1091	1677	1816	-	4.0	0.7
Lloyds TSB Environmental Inv	1107	1647	1885	-	3.7	1.0
SECT AVERAGE	988	1394	1625	2857	3.9	1.6

UK Growth & Income	1 year (%)	3	5	10	Volatility	Yield (%)
JP The Utilities	1191	1750	2114	-	3.7	2.0
Flamingo Select UK Income	1102	1727	2029	3308	3.7	2.8
Lancaster Income & Growth	1066	1682	1815	-	3.7	2.9
River & Macmillan Top 100	1107	1660	-	-	3.9	2.7
HSBC Finance Fund	1088	1647	1788	-	4.0	1.7
SECT AVERAGE	1028	1445	1644	3088	3.7	2.2

UK Smaller Companies	1 year (%)	3	5	10	Volatility	Yield (%)
BT UK Smaller Companies Acc	1203	1626	1882	-	4.3	1.2
Henderson Exempt Capital	1039	1533	1672	-	4.3	1.0
Edinburgh UK Smaller Cos	894	1488	-	-	4.7	2.2
Edinburgh UK Smaller Cos	893	1477	2045	2398	4.8	1.2
Edinburgh UK Smaller Cos	893	1435	2097	-	4.4	1.7
SECT AVERAGE	871	1087	1331	1850	4.5	1.9

UK Equity Income	1 year (%)	3	5	10	Volatility	Yield (%)
Edinburgh UK Equity Income	1082	1687	2088	3591	3.4	3.2
Primer Dividend	1108	1650	1981	3214	3.5	3.5
Jupiter Income	1032	1620	2240	3298	3.1	3.7
Fidelity Income Plus	1060	1608	1883	2582	3.3	4.0
NP Global Core Income	1088	1558	-	-	3.1	3.1
SECT AVERAGE	1013	1425	1887	2940	3.4	3.8

UK Equity & Bond Income	1 year (%)	3	5	10	Volatility	Yield (%)
Abbey National Extra Income	1093	1557	1884	3544	2.5	4.2
Edinburgh UK Income A	1082	1510	1804	2427	2.9	3.2
OS UK Income	1065	1504	1882	-	2.9	3.2
CGU PPT High Yield	1089	1486	1881	2581	2.7	5.3
HSBC High Income	1087	1466	-	-	2.5	5.3
SECT AVERAGE	1028	1356	1458	2505	2.8	4.8

Europe	1 year (%)	3	5	10	Volatility	Yield (%)
INVESTOR European Growth	1330	2144	2885	5006	6.6	-
TU European	1288	2132	2785	-	4.7	1.2
Newton European	1316	2063	2602	5037	5.8	0.5
INVESTOR European Small Cos	1380	2031	2705	5006	5.7	-
Edinburgh European	1320	2024	2624	-	6.1	0.5
SECT AVERAGE	1198	1857	2581	4159	6.5	0.7

Global Emerging Mkts	1 year (%)	3	5	10	Volatility	Yield (%)
Stewart Very Emerging Markets	691	858	748	-	8.3	1.3
Hill Samuel Global Emerg Mkts	695	790	-	-	-	-
Garnison PS Emerging Markets	718	777	518	-	8.3	1.2
Mercury Emerging Markets	671	766	605	-	8.7	0.3
State & Prosper Emerging Mkts	685	700	-	-	9.5	1.1
SECT AVERAGE	686	676	591	1088	8.2	1.2

International Equity Income	1 year (%)	3	5	10	Volatility	Yield (%)
GT International Income	1152	1578	1782	4057	3.5	2.4
Primer Global 100	1151	1440	1980	2125	4.3	4.3
Mayflower Global Income	1036	1336	1388	2556	3.3	2.2
M&G International Income	1025	1335	1474	3341	3.5	4.0
SECT AVERAGE	1081	1422	1581	3130	3.7	2.3

International Fixed Interest	1 year (%)	3	5	10	Volatility	Yield (%)
Newton International Bond	1113	1258	1308	-	1.8	4.0
Barings Global Bond	1075	1251	1349	-	1.9	4.8
Edinburgh Global Bond	1108	1246	1288	-	1.9	4.1
Edinburgh Global Bond	1111	1229	1289	2558	1.7	3.2
AES Intl Bond & Convertible	1087	1215	1246	-	1.1	5.4
SECT AVERAGE	1079	1071	1144	1988	1.7	4.4

International Equity & Bond	1 year (%)	3	5	10	Volatility	Yield (%)
Flamingo General Opportunities	1140	1482	1622	-	2.8	3.1
Bank of Ireland Ex Mgt Growth	1135	1440	1701	3524	3.7	1.8
GA Income Portfolio	1083	1450	1446	-	3.8	2.5
MT General	1150	1438	-	-	3.8	3.3
Garnison PS Medium Term Return	1115	1338	1480	2571	2.2	2.7
SECT AVERAGE	1076	1275	1384	2567	3.0	2.5

International Growth	1 year (%)	3	5	10	Volatility	Yield (%)
Franklin Financial	1482	1725	2088	6148	5.3	0.7
Garnison Global Utilities	1288	1722	1853	-	4.5	1.1
State & Prosper Financial Secs	984	1644	2115	4588	5.1	0.5
Scott Equitable Technology	1228	1577	2286	6333	6.1	0.9
Fidelity Managed International	1148	1558	1985	4185	6.1	0.5
SECT AVERAGE	1088	1225	1484	3031	5.1	1.1

Best Peps	1 year (%)	3	5	10	Volatility	Yield (%)
INVESTOR European Growth	1330	2144	2885	5006	6.6	-
TU European	1288	2132	2785	-	4.7	1.2
Newton European	1316	2063	2602	5037	5.8	0.5
INVESTOR European Small Cos	1380	2031	2705	5006	5.7	-
Edinburgh European	1320	2024	2624	-	6.1	0.5
SECT AVERAGE	1288	1987	2581	4159	6.5	0.7

Property	1 year (%)	3	5	10	Volatility	Yield (%)
Norwich Property	1005	1302	1402	-	1.0	4.7
Barclays Property	1002	1225	1317	-	0.9	5.6
Abderson Profit Property Str	774	1213	1089	-	3.6	2.1
Arnprior Residential Property	889	1183	-	-	0.8	5.5
SECT AVERAGE	927	1231	1288	-	1.8	4.5

Nth America	1 year (%)	3	5	10	Volatility	Yield (%)
Fidelity American	1458	2040	2726	5542	6.5	-
Old Mutual North American	1187	1955	2182	5282	6.2	-
Credit Suisse Transatlantic Ac	1225	1954	-	-	4.8	-
Barings American Growth	1187	1903	2250	5434	5.0	-
Franklin American Growth	1285	1850	2481	-	5.3	-
SECT AVERAGE	1055	1502	1944	4831	5.1	0.5

Commodity & Energy	1 year (%)	3	5	10	Volatility	Yield (%)
M&G Australian Acc	891	1135	1273	2104	6.0	2.2
M&G Commodity	790	832	832	1422	7.0	1.5
HSBC Natural Resources	678	821	720	1201	6.8	0.8
Lloyds TSB Natural Resources	571	584	646	1840	7.3	0.1
State & Prosper Commodity	659	560	667	1239	7.2	-
SECT AVERAGE	648	594	680	1415	6.5	1.1

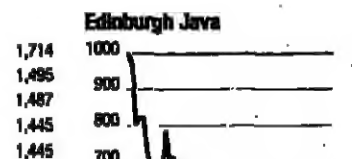
Investment Trust Units	1 year (%)	3	5	10	Volatility	Yield (%)
Outlier High Inc Inv Tot Acc	1071	1428	1688	-	3.7	3.4
Abderson Profit Fd of IT Dis	1116	1305	-	-	3.8	0.8
S & F Investment Tot Portfolio	1009	1264	1363	-	4.5	0.8
Primer Enterprise	861	1250	-	-	3.2	1.2
Outlier Investment Trusts	1002	1245	1428	-	5.0	-
SECT AVERAGE	978	1184	1331	2533	4.2	2.0

Fund of Funds	1 year (%)	3	5	10	Volatility	Yield (%)
Boyet & Sun AI Portfolio	1091	1412	1610	2885	3.8	1.1
Lloyds Bank Income Portfolio	1020	1380	1500	-	2.4	3.8
Lloyds TSB Selector	1029	1378	1503	-	3.3	2.0
Mercury Managed Income	1052	1357	-	-	2.4	3.5
Lloyds Bank Growth Portfolio	1020	1349	1543	-	3.7	1.1
SECT AVERAGE	988	1200	1343	2517	3.4	2.0

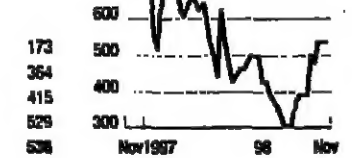
INVESTMENT TRUSTS

WINNERS AND LOSERS

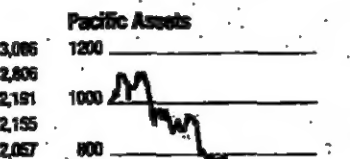
TOP FIVE OVER 1 YEAR



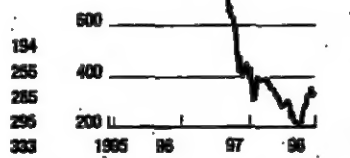
BOTTOM FIVE OVER 1 YEAR



TOP FIVE OVER 3 YEARS



BOTTOM FIVE OVER 3 YEARS



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Company Name	Assets	Liabilities	Equity	Net Income	Dividend	Yield	P/E Ratio	Market Cap	Volume	Price	Change
Admiral Unit Trust Management Ltd - Cont'd.											
Admiral Bond Fund	170.2	170.2	0.0	1.84							
Admiral Equity Fund	20.1	20.1	0.0	4.23							
Admiral Growth Fund	10.1	10.1	0.0	3.41							
Admiral Income Fund	10.1	10.1	0.0	2.86							
Admiral Money Market Fund	10.1	10.1	0.0	2.86							
Admiral Real Estate Fund	10.1	10.1	0.0	2.86							
Admiral Short-Term Bond Fund	10.1	10.1	0.0	2.86							
Admiral Ultra-Short Bond Fund	10.1	10.1	0.0	2.86							
Admiral World Fund	10.1	10.1	0.0	2.86							
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Admiral Ultra-Short Bond Fund	10.1										

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"Bamboo" in sterling silver from the Tiffany Nature Collection.

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INSURANCES

OTHER UK

UNIT TRUSTS

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indirect owners except:
All dealings are subject to Individual Trust Deed rules.

INSURANCES		Trading	Rating	Yr	%
AXA Assurances					
Capital & Surplus	1,000,000,000	100	100	100	100
Assets	2,000,000,000	100	100	100	100
Liabilities	1,000,000,000	100	100	100	100
Net Worth	1,000,000,000	100	100	100	100
Operating Income	100,000,000	100	100	100	100
Operating Expenses	80,000,000	100	100	100	100
Operating Profit	20,000,000	100	100	100	100
Operating Margin	20%	100	100	100	100
Operating Leverage	1.0	100	100	100	100
Operating Risk	1.0	100	100	100	100
Operating Return	10%	100	100	100	100
Operating Yield	10%	100	100	100	100
Operating Ratio	1.0	100	100	100	100
Operating Index	1.0	100	100	100	100
Operating Score	100	100	100	100	100
Operating Grade	A	100	100	100	100
Operating Rating	100	100	100	100	100
Operating Status	100	100	100	100	100
Operating Trend	100	100	100	100	100
Operating Outlook	100	100	100	100	100
Operating Forecast	100	100	100	100	100
Operating Projection	100	100	100	100	100
Operating Estimate	100	100	100	100	100
Operating Assumption	100	100	100	100	100
Operating Scenario	100	100	100	100	100
Operating Hypothesis	100	100	100	100	100
Operating Model	100	100	100	100	100
Operating Framework	100	100	100	100	100
Operating Structure	100	100	100	100	100
Operating System	100	100	100	100	100
Operating Process	100	100	100	100	100
Operating Method	100	100	100	100	100
Operating Technique	100	100	100	100	100
Operating Strategy	100	100	100	100	100
Operating Policy	100	100	100	100	100
Operating Plan	100	100	100	100	100
Operating Program	100	100	100	100	100
Operating Initiative	100	100	100	100	100
Operating Action	100	100	100	100	100
Operating Measure	100	100	100	100	100
Operating Step	100	100	100	100	100
Operating Task	100	100	100	100	100
Operating Job	100	100	100	100	100
Operating Role	100	100	100	100	100
Operating Function	100	100	100	100	100
Operating Responsibility	100	100	100	100	100
Operating Authority	100	100	100	100	100
Operating Power	100	100	100	100	100
Operating Influence	100	100	100	100	100
Operating Impact	100	100	100	100	100
Operating Effect	100	100	100	100	100
Operating Result	100	100	100	100	100
Operating Outcome	100	100	100	100	100
Operating Consequence	100	100	100	100	100
Operating Implication	100	100	100	100	100
Operating Significance	100	100	100	100	100
Operating Importance	100	100	100	100	100
Operating Value	100	100	100	100	100
Operating Benefit	100	100	100	100	100
Operating Advantage	100	100	100	100	100
Operating Strength	100	100	100	100	100
Operating Weakness	100	100	100	100	100
Operating Opportunity	100	100	100	100	100
Operating Threat	100	100	100	100	100
Operating Challenge	100	100	100	100	100
Operating Risk	100	100	100	10	

European Growth Account	516.0	543.2	-5.1	-
Greater Cap Account	177.1	188.0	-	-
Foreign Funds (Swiss 2)				
Equity Account	287.7	702.6	-45.6	-
Enterprise Account	250.0	309.0	-13.5	-
GE Edge Account	1071.5	1129.3	-43.7	-
International Account	283.0	287.9	-4.7	-

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UK Equity	1517.2	1587.1	(6)	-
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For specialist bond prices please call free on 0800 813004

Direct Line Life Insurance Company Limited
 250 St Vincent Street, Glasgow G2 5SH 0141 221 9282

Cash Fund	105.4	105.4	+0.1	-
Index Tracker Fund	108.4	108.4	-0.4	-

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100

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100

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FT-MANAGED FUNDS SERVICE

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<p>Money Markets</p> <p>Bank Accounts</p> <p>Trust Funds</p> <p>Money Market</p> <p>Bank Accounts</p> <p>Trust Funds</p>		<p>Money Markets</p> <p>Bank Accounts</p> <p>Trust Funds</p> <p>Money Market</p> <p>Bank Accounts</p> <p>Trust Funds</p>	
<p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p>		<p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p> <p>Other</p>	

MANAGEMENT SERVICES

Money Market Trust Funds

Money Market Bank Accounts

OFFSHORE AND OVERSEAS

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Funds		Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating
Advanced Investment Management Ltd								
Advanced Investors Fd Ltd								
An Australian Capital and Income Fund								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$23,362.3	33.74	33.74				1.25		
Barclays Bank Investment Ltd								
Barclays Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$1,000.0	10.00	10.00				0.00		
\$1,000.0	0.00	0.00				0.00		
\$1,000.0	0.00	0.00				0.00		
Barrington Funds								
Barrington Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
Barrington Funds								
Barrington Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
Credit Lyons Ltd								
Credit Lyons Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
Deutsche Bank Ltd								
Deutsche Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
Equity Capital Management Ltd								
Equity Capital Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
First City Bank Ltd								
First City Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
First City Bank Ltd								
First City Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
First City Bank Ltd								
First City Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
First City Bank Ltd								
First City Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		
First City Bank Ltd								
First City Bank Investors Fd Ltd								
Assets	YTD %	1 Yr %	3 Yr %	5 Yr %	10 Yr %	Rating		
\$10.0	10.00	10.00				0.00		
\$10.0	0.00	0.00				0.00		
\$10.0	0.00	0.00				0.00		</

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NFS Meridian Funds		
Frontier Growth Fund		\$1.16
Frontier Income Fund		\$1.16
Frontier Mid-Cap Fund		\$1.16
Frontier Small-Cap Fund		\$1.16
Frontier Value Fund		\$1.16
Frontier World Fund		\$1.16
Frontier Yield Fund		\$1.16
Frontier Zero Fund		\$1.16
Frontier Zero Fund II		\$1.16
Frontier Zero Fund III		\$1.16
Frontier Zero Fund IV		\$1.16
Frontier Zero Fund V		\$1.16
Frontier Zero Fund VI		\$1.16
Frontier Zero Fund VII		\$1.16
Frontier Zero Fund VIII		\$1.16
Frontier Zero Fund IX		\$1.16
Frontier Zero Fund X		\$1.16
Frontier Zero Fund XI		\$1.16
Frontier Zero Fund XII		\$1.16
Frontier Zero Fund XIII		\$1.16
Frontier Zero Fund XIV		\$1.16
Frontier Zero Fund XV		\$1.16
Frontier Zero Fund XVI		\$1.16
Frontier Zero Fund XVII		\$1.16
Frontier Zero Fund XVIII		\$1.16
Frontier Zero Fund XIX		\$1.16
Frontier Zero Fund XX		\$1.16
Frontier Zero Fund XXI		\$1.16
Frontier Zero Fund XXII		\$1.16
Frontier Zero Fund XXIII		\$1.16
Frontier Zero Fund XXIV		\$1.16
Frontier Zero Fund XXV		\$1.16
Frontier Zero Fund XXVI		\$1.16
Frontier Zero Fund XXVII		\$1.16
Frontier Zero Fund XXVIII		\$1.16
Frontier Zero Fund XXIX		\$1.16
Frontier Zero Fund XXX		\$1.16
Frontier Zero Fund XXXI		\$1.16
Frontier Zero Fund XXXII		\$1.16
Frontier Zero Fund XXXIII		\$1.16
Frontier Zero Fund XXXIV		\$1.16
Frontier Zero Fund XXXV		\$1.16
Frontier Zero Fund XXXVI		\$1.16
Frontier Zero Fund XXXVII		\$1.16
Frontier Zero Fund XXXVIII		\$1.16
Frontier Zero Fund XXXIX		\$1.16
Frontier Zero Fund XL		\$1.16
Frontier Zero Fund XLI		\$1.16
Frontier Zero Fund XLII		\$1.16
Frontier Zero Fund XLIII		\$1.16
Frontier Zero Fund XLIV		\$1.16
Frontier Zero Fund XLV		\$1.16
Frontier Zero Fund XLVI		\$1.16
Frontier Zero Fund XLVII		\$1.16
Frontier Zero Fund XLVIII		\$1.16
Frontier Zero Fund XLIX		\$1.16
Frontier Zero Fund L		\$1.16
Frontier Zero Fund LI		\$1.16
Frontier Zero Fund LII		\$1.16
Frontier Zero Fund LIII		\$1.16
Frontier Zero Fund LIV		\$1.16
Frontier Zero Fund LV		\$1.16
Frontier Zero Fund LVI		\$1.16
Frontier Zero Fund LVII		\$1.16
Frontier Zero Fund LVIII		\$1.16
Frontier Zero Fund LIX		\$1.16
Frontier Zero Fund LX		\$1.16
Frontier Zero Fund LXI		\$1.16
Frontier Zero Fund LXII		\$1.16
Frontier Zero Fund LXIII		\$1.16
Frontier Zero Fund LXIV		\$1.16
Frontier Zero Fund LXV		\$1.16
Frontier Zero Fund LXVI		\$1.16
Frontier Zero Fund LXVII		\$1.16
Frontier Zero Fund LXVIII		\$1.16
Frontier Zero Fund LXIX		\$1.16
Frontier Zero Fund LXX		\$1.16
Frontier Zero Fund LXXI		\$1.16
Frontier Zero Fund LXXII		\$1.16
Frontier Zero Fund LXXIII		\$1.16
Frontier Zero Fund LXXIV		\$1.16
Frontier Zero Fund LXXV		\$1.16
Frontier Zero Fund LXXVI		\$1.16
Frontier Zero Fund LXXVII		\$1.16
Frontier Zero Fund LXXVIII		\$1.16
Frontier Zero Fund LXXIX		\$1.16
Frontier Zero Fund LXXX		\$1.16
Frontier Zero Fund LXXXI		\$1.16
Frontier Zero Fund LXXXII		\$1.16
Frontier Zero Fund LXXXIII		\$1.16
Frontier Zero Fund LXXXIV		\$1.16
Frontier Zero Fund LXXXV		\$1.16
Frontier Zero Fund LXXXVI		\$1.16
Frontier Zero Fund LXXXVII		\$1.16
Frontier Zero Fund LXXXVIII		\$1.16
Frontier Zero Fund LXXXIX		\$1.16
Frontier Zero Fund LXXXX		\$1.16
Frontier Zero Fund LXXXXI		\$1.16
Frontier Zero Fund LXXXXII		\$1.16
Frontier Zero Fund LXXXXIII		\$1.16
Frontier Zero Fund LXXXXIV		\$1.16
Frontier Zero Fund LXXXXV		\$1.16
Frontier Zero Fund LXXXXVI		\$1.16
Frontier Zero Fund LXXXXVII		\$1.16
Frontier Zero Fund LXXXXVIII		\$1.16
Frontier Zero Fund LXXXXIX		\$1.16
Frontier Zero Fund LXXXXX		\$1.16

Public & General Investments Inc		\$1,253.55
1997 Closed Fund 25		\$1.00
1997 Closed Fund 26		\$1.00
1997 Closed Fund 27		\$1.00
1997 Closed Fund 28		\$1.00
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1997 Closed Fund 84		\$1.00
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1997 Closed Fund 92		\$1.00
1997 Closed Fund 93		\$1.00
1997 Closed Fund 94		\$1.00
1997 Closed Fund 95		\$1.00
1997 Closed Fund 96		\$1.00
1997 Closed Fund 97		\$1.00
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1997 Closed Fund 101		\$1.00
1997 Closed Fund 102		\$1.00
1997 Closed Fund 103		\$1.00
1997 Closed Fund 104		\$1.00
1997 Closed Fund 105		\$1.00
1997 Closed Fund 106		\$1.00
1997 Closed Fund 107		\$1.00
1997 Closed Fund 108		\$1.00
1997 Closed Fund 109		\$1.00
1997 Closed Fund 110		\$1.00
1997 Closed Fund 111		\$1.00
1997 Closed Fund 112		\$1.00
1997 Closed Fund 113		\$1.00
1997 Closed Fund 114		\$1.00
1997 Closed Fund 115		\$1.00
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1997 Closed Fund 119		\$1.00
1997 Closed Fund 120		\$1.00
1997 Closed Fund 121		\$1.00
1997 Closed Fund 122		\$1.00
1997 Closed Fund 123		\$1.00
1997 Closed Fund 124		\$1.00
1997 Closed Fund 125		\$1.00
1997 Closed Fund 126		\$1.00
1997 Closed Fund 127		\$1.00
1997 Closed Fund 128		\$1.00
1997 Closed Fund 129		\$1.00
1997 Closed Fund 130		\$1.00
1997 Closed Fund 131		\$1.00
1997 Closed Fund 132		\$1.00
1997 Closed Fund 13		

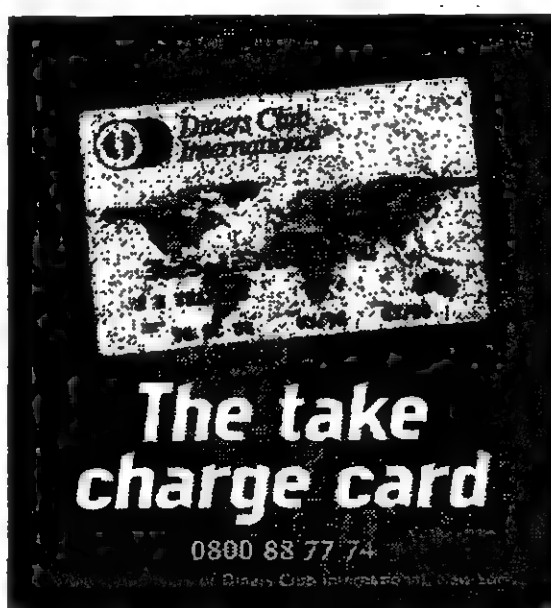
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INVESTMENT TRUSTS - Continued[illegible]

ANALYZE THIS

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55	1.1	329.3	18
56	-	98.9	23
57	-	-	-
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59	2.5	314	26
60	0.8	262.9	16
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68	-	-	-
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74	1.5	205.2	19
75	1.5	124.1	13
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Beta Global		86%
Bootham Park Co's		79%

[illegible][illegible][illegible]

Williams, Inc. 1000
Williams, Inc. 1000

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Western Tokyo	236
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Eastern	201

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*In other countries, call directory assistance or ask your hotel concierge.

Highs & Lows shown on a 52 week basis

WORLD STOCK MARKETS

NORTH AMERICA

UNITED STATES (Dec 11 / US\$)

(4 pm close)

Dow Jones Industrial Average

3000.00

S&P 500

2400.00

NASDAQ

2500.00

NYSE

2600.00

AMEX

2700.00

NYSE

2800.00

AMEX

2900.00

NYSE

3000.00

AMEX

3100.00

NYSE

3200.00

AMEX

3300.00

NYSE

3400.00

AMEX

3500.00

NYSE

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4100.00

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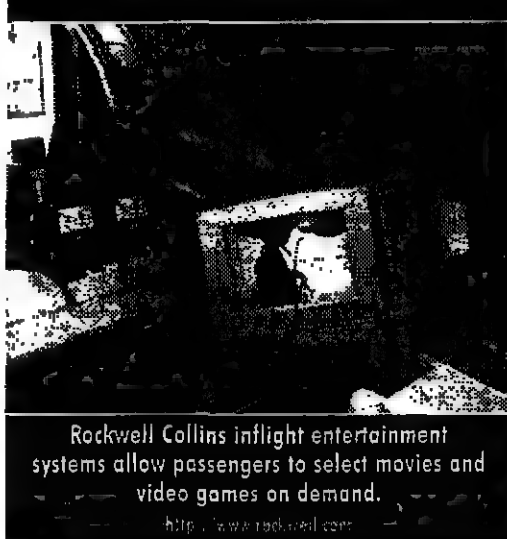
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NYSE

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Rockwell



Rockwell Collins inflight entertainment systems allow passengers to select movies and video games on demand.

http://www.rockwell.com

INDICES

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WORLD STOCK MARKETS

High-techs lure buyers as Dow falls

AMERICAS

US high-tech shares outperformed the broader market in early trading as blue chips continued to weaken and the Dow Jones Industrial Average dipped below 8,500, writes John Labate in New York.

By midday the Dow was down 42.74 to 8,498.64, while the broader Standard & Poor's 500 index was off 2.48 at 1,162.55.

Those investors who were buying put their money behind computer-related shares. Software, semiconductor chip and internet companies pushed higher with the Nasdaq composite index, which is weighted in high-tech, gaining 10.42 to 2,025.38.

The broader market, though, reacted negatively to the most recent batch of earnings warnings and results.

Coca-Cola, a Dow stock, was down \$2.45 to \$25.35 after the company guided analysts estimates lower for its fourth-quarter earnings.

Oracle, the second largest software company, gained more than 7 per cent or \$2.25 to \$37.75 after the company reported a sharp rise in quarterly earnings late on Thursday. Also helping take the stock higher was a rise in earnings estimates by some analysts.

AMR, parent company of American Airlines, tumbled 6 per cent to \$58.47 after Gold-

man Sachs cut its 1998 earnings estimates.

US Treasury prices were lower after the release of stronger-than-expected retail sales figures. The 30-year bond was down 1/4 to 104 1/4, yielding 4.97 per cent.

Internet advertising company DoubleClick shot up 8 per cent to \$37.40 after the company announced a secondary stock offering.

Electronic Data Systems gained 4 1/2 per cent to \$42.50 after ET Alex Brown upgraded the shares to "buy" one day after the company said it would have a new chairman and chief executive.

TORONTO was weak at midsession in a market made increasingly cautious by Thursday's profit-warnings. The TSE-300 composite index was 38.15 lower at 6,277.50 in volume of almost 82m shares.

Gold issues were weak in response to falling bullion. Placer Dome fell \$1.05 to \$21.50 and Barrick Gold was \$1.20 lower at \$29.50.

Banks were carefully scrutinised as the market awaited two reports, expected later in the session, that could determine the fate of mergers within the sector.

Bank of Montreal rose \$1 to \$56.50, Royal Bank of Canada added 10 cents to \$37.50, Canadian Imperial Bank of Commerce edged 5 cents higher to \$34.40 and Toronto-Dominion picked up 10 cents to \$36.00.

Caracas slips further after post-poll rally

CARACAS continued to pull back after its soaring performance earlier in the week. By midsession, the IBC index was 402.04 or 7.6 per cent lower at 4,738.95.

SAO PAULO was sharply lower at midday, tracking overseas markets. The Bovespa index stood 380 or 3.7 per cent lower at 7,350.

MEXICO CITY reversed an

Dax stumbles under pressure from Wall St

EUROPE

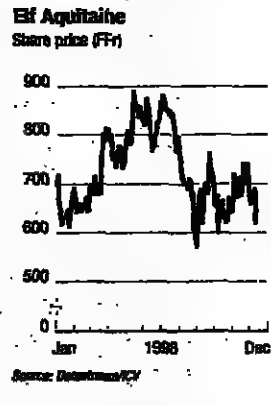
A weak dollar and pressure from early trading on Wall Street sent Frankfurt's Dax index down 107.28 to 4,543.02, extending its loss over the week to 4.9 per cent.

The weak dollar hit Luft-hansa, down DM2.27 or 6.4 per cent at DM33.21, after Thursday's sharp run-up.

Currency considerations also worked against the car makers. BMW lost DM5 to DM1.045 as the company denied rumours that it planned some form of link with Ford. DaimlerChrysler was DM4.40 lower at DM147.60 and Volkswagen gave up DM4.55 at DM119.25.

Schering, another 30 pps higher at DM213.45, continued to outperform the chemicals sector. After the Zeneca/Astra link-up, the group is seen as another prime merger candidate.

Hoechst remained weak with a fall of DM1.96 to



DM4.90 on concerns about future competition from a merged Zeneca and Astra.

Man lost DM14.70 to DM146.4 after a downgrade from BNP, which said the company's sales growth target might be too optimistic.

Among high-tech stocks, SAP tumbled DM4 to DM70 after its recent strong run.

PARIS climbed off the bottom in the final hours of

Taxation plans disappoint Tokyo

ASIA PACIFIC

The setback overnight on Wall Street and media reports of a disappointing tax reform package spoiled sentiment in TOKYO and dragged shares lower for the second day running, writes Michiko Nakamoto.

The benchmark Nikkei 225 Average fell to a low of

14,382.06 before closing at 14,405.84, down 402.18. The high during the day was 14,729.95.

Activity was affected by the fall on Wall Street, but investors were also disappointed by media reports that the ruling Liberal Democratic party was considering tax changes that would, in effect, raise taxes for 80 per cent of the population.

Furthermore, as in New York, Tokyo was shaken by

rising concerns about global deflationary pressures stemming from falling crude prices.

Trading activity surged, with 75m shares changing hands compared with 36m on Thursday. The rise in volume was partly attributed to the fact that settlement prices of futures and options contracts were set on Friday.

The Topix index of all listed shares fell 21.82, while the Nikkei 300 declined 4.78 to 233.25. Declining issues exceeded advances by 942 to 248 while 111 issues were unchanged.

High-tech issues retreated after a strong rise in the week after the fall of technology stocks on Wall Street. Toshiba fell ¥20 to ¥780 and Hitachi lost ¥20 to ¥713, both in active trading.

HONG KONG fell steeply, driven lower by futures-led selling in moderate volumes. Market heavyweight HSBC tumbled HK\$ to HK\$189 and the Hang Seng index closed off 365.44 or 3.5 per cent at 9,953.00. Turnover was HK\$7.6bn.

Brokers said sentiment was hit by the overnight slide in New York plus further weakness for the US

trading to close with the CAC-40 index down 51.27 to 3,686.70 for a decline of 1.2 per cent on the week. The day's low for the benchmark was 3,644.03.

Elf Aquitaine led the way down, sliding FF50 or 7.4 per cent to FF7630 in heavy turnover of FF1.5bn, with soft oil prices sparking the selling. Total came off FF23 at FF557. In a weak motor sector, Renault shed FF10.50 at FF156.

Selected banks stayed firm. CCF gained FF21 at FF501 and Societe Generale put on FF24 at FF767.

AMSTERDAM ended all square on the week with the AEX index off 21.46 at 1,071.19. Financials and Alko Nobel languished at the bottom of the day's performance charts.

ASB-Amro lost F11 at F135.50 and ING came off F13.80 to F104.10. Alko shed F13.90 or 4.9 per cent at F75.10.

Media leader Wolters Klu-

wer stayed positive against the broad downturn. It improved 10 cents to F1369, with brokers citing the news of a planned one-for-four share split as the reason behind the relative outperformance.

Packaging group Van Leer pushed firmly higher, adding F12.10 at F137.90 amid rumours - dismissed as exaggerated by the company - of a share buyback.

STOCKHOLM slid for the second day running as investors continued to punish Ericsson, the telecommunications company, for Thursday's profits warning.

The general index closed 70.6 or 2.3 per cent lower at 3,079.52. The exchange has fallen 2.4 per cent this week.

Ericsson, which accounted for more than 40 per cent of yesterday's trade of SEK5.6bn, dropped SEK13.50 or 6.5 per cent to SEK185.50. The company lost 16.2 per cent on Thursday after revealing that fourth-quarter

profits would be between 15 and 20 per cent below expectations.

Astra, the pharmaceuticals group that plans to merge with Zeneca of the UK edged up SKR1.50 or 0.9 per cent to SKR162.

MADRID fell more than 2 per cent, reflecting weakness in the dollar and falls on other European bourses.

The general index finished 17.53 down at 812.64.

MILAN edged down in a third day's trading that included a less than auspicious debut by Cremonini, the food group. The Mibtel index shed 309 or 1.4 per cent to 21,551.

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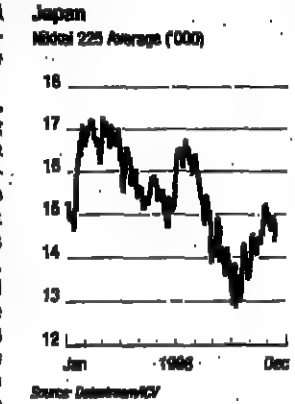
THE WEEK'S CHANGES

	% change
Seoul	+18.0
Bangkok	+6.5
Jakarta	+4.1
Singapore	+3.9
Wellington	+1.4
Tokyo	-1.8
Taiwan	-4.7

14,382.06 before closing at 14,405.84, down 402.18. The high during the day was 14,729.95.

Activity was affected by the fall on Wall Street, but investors were also disappointed by media reports that the ruling Liberal Democratic party was considering tax changes that would, in effect, raise taxes for 80 per cent of the population.

Furthermore, as in New York, Tokyo was shaken by



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United News & Media shares dip on warning

BOC in disposal talks

NPI receives four bid offers

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City looks to Shell 'chief of staff' to lead from the front

They not only want details of Shell's new performance

more direct control over the group's capital allocation.

recommended that the parent companies should share

one chairman and one chief executive. The American-style structure was rejected, with John Loudon, then chairman of Royal Dutch, remarking: "The American system is different."

But will such changes impress the analysts? Some

after all, have argued for more radical action.

Fergus Macleod, at B' Alex Brown in Edinburgh says it is time that Shel "had a control freak" at the top to drive through radical change, which he argues should include the unifica-

Other analysts are also keen to see more personal accountability for Shell's financial performance. Alan Marshall, at Robert Fleming in London, says the management team is "the least identifiable in the business".

US charities to receive £20m from AMV deal

AMV is one of the UK's leading agencies, and is

AMV has net assets of just

In order for the deal to qualify as a pooling transac-

com shares were trading at \$58½ following the

The acquisition of ABV would be Omnicom's second significant acquisition in the

Hambros and Omnicom by Morgan Stanley.

Lonrho Africa board wins backing

share, Lonrho Africa shares have performed poorly.

ker, said: "Tiny's army was there in force and Tiny's

Barbican Hall in the City. The meeting was packed

hotels and car dealerships in 14 African countries.

Strong backing by Midshires for Halifax purchase

53,000 borrowers who voted also backed the plan.

In both cases, the votes comfortably exceeded the


The board also faced

CVC

ing stock

Proteus in drug discovery alliance with US group

intended to improve drug discovery by identifying the type of molecules most likely to hit the target.



SOMI expands overseas

Total consideration is A\$31.4m (£11.7m) comprising A\$22.9m in cash, 2.9m SOMI

CVC eyes stake in Dutch pipes

Shell put its stake on the market in March as part of its strategy of selling its

the Austrian building materials producer - in October last year, and last week's offer for Marley of the UK by

Overijssel, a local water board in the eastern Netherlands, owns the other half of the company and will retain

Wavin employs 4,500 staff around Europe and has manufacturing facilities in the

CVC plans to use the com-

Netherlands, Switzerland,
France, Scandinavia, Poland,
Germany and the UK.

[illegible]

Earnings shown basic. Dividends shown net. Figures in brackets are for corresponding period. ▲After exceptional charge. ▼After exceptional credit. †On increased capital. ‡On stock. *Corporations restored. †Restated for antitakeover write issue.

Tokyo set to rescue bank

The São Paulo stock exchange, whose president holds 10 per cent of Lojas Renner's voting stock, had ordered Penney to divulge the price it paid for 63 per cent of Lojas Renner's voting stock and to announce its plans for the company.

The position of NCB has attracted growing attention because the government is stepping up its attempts to reform the country's banking sector. Two months ago, the government earmarked ¥17,000bn (\$145bn) of funds for the nationalisation of

In the UK, Universal Music is likely to be divided into three groups of labels. The old UMI headquarters in London's Soho will be closed as will several other buildings. Mr Larsen and the new UMI team will move to PolyGram's former corporate headquarters in Piccadilly. Similar label structures are likely to be adopted in France and Germany. However, Universal's rationalisation plans have yet to be submitted to a European

The Samsung/Daewoo and LG/Hyundai deals are the centrepiece of government plans to force the companies

The decision follows a struggle between the SK Group and foreign investors over control of SK Telecom.

Foreign investors accused SK of using the telecom unit to subsidise weak businesses in the group and hoped to increase their influence over SK Telecom with the planned rise in the foreign shareholding limit.

[illegible][illegible]

	Dec 70	% chg on 6/9	Dec 69	Year ago	Gross div yield	Total return	\$2 week High	Low
United Nations Index (20)	1701.51	0.9	164.35	433.24	1.39	1686.54	2351.57	701.56
in European Index								
Africa (5)	1053.53	7.8	1049.67	529.28	3.71	1060.52	1600.04	765.53
Australasia (6)	1191.45	0.5	1185.96	536.71	2.90	1197.93	1833.53	815.95
Europe (17)	950.78	0.3	950.83	445.54	0.28	951.51	2217.41	647.66

Source: FTSE International Limited. All figures rounded. Figures in brackets show number of companies.

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The Liquidator

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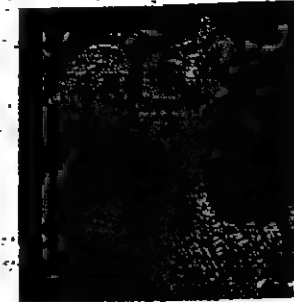
Goya in Lille

'However beautiful or interesting his women, it is as a painter of men that he is all but unequalled'



Bold and beaded

'Parties are fun, or at least they are supposed to be; so are beaded dresses. Let's dress accordingly'



Wise wine choices

Jancis Robinson makes her selection of the best white wines, champagne and port

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Page XI

Page XIII

Toys for the boys

The video game industry is so huge that it can afford to ignore women. But it needs to hook the under-12s, says Alexander McGregor

Barely covered by her combat hot pants and a singlet that clings tightly to the cartoon curves of her "bodacious body", Lara Croft leapt out of her box with guns blazing in late November and will have landed in more than 2m homes worldwide by Christmas.

A cross between Tintin and a scantily clad Indiana Jones, Lara Croft is an archaeologist and action heroine whose adventures in the third series of *Tomb Raider* is one of the most popular gifts jamming yuletide stockings this year.

Lara is facing tough competition from other formidable video game stars: that wily Crash Bandicoot will be head-butting his evil nemesis Dr Neo Cortex. But perhaps the biggest seller will be *The Legend of Zelda*, an old video game favourite upgraded to 3D.

Released for less than a month, it has already been tagged "the best game ever designed" by the pre-eminent video game publication, *New Generation* magazine.

While these games might seem like good clean fun, they are really foot soldiers in a larger war being fought over the console - that plastic, spider-like control-set whose buttons and levers direct the shooting, fighting, racing and jumping on the games being played out on the television screens.

Who controls the console (the hardware) invariably depends on who can provide the hottest games (the software). Such crowd pleasers as Lara Croft and Crash Bandicoot pull players to Sony's PlayStation. The success of *Zelda* this Christmas means Nintendo sells more N64 machines. A limited number, such as the best-selling *Myst* and *Riven*, are PC games played with a mouse.

Once a gamer has bought a console, there are any amount of games (retailing for between \$20 (£12) and \$60 each, depending on how new they are) available for the preferred game platform.

The spoils of market domination are lucrative, according to figures from the Interactive Digital Software Association, a US trade organisation representing US video and PC game publishers: between 1996 and 1997, sales of video game consoles such as Nintendo 64 and Sony PlayStation nearly tripled from \$m to \$1.6m. By the end of 1998, they are expected to double again and reach \$3m. Future sales will only be limited by the number of television sets.

In spite of the lack of mainstream media coverage or the high cultural accreditation accorded to the film industry, the video game sector has become the fastest-growing part of the entertainment industry.

In 1997, the US video and PC game industry reached \$5.1bn in sales of hardware and software, a 38 per cent increase over 1996. In the first half of 1998, the industry recorded another 30 per cent jump in growth, and this year will supersede the annual gross from the film industry's box office receipts.

Further, an average game costs considerably less to produce than the average Hollywood studio film - roughly between \$2m and \$5m a game, as opposed to



\$30m plus for a film. It is little wonder that such film industry titans as Steven Spielberg and George Lucas are now producing video games.

Lucas's *Star Wars* franchise series is already a successful video game and his software production company, LucasArts, has produced *Grim Fandango*, a PC hit for this Christmas. A "Mexican Noir" adventure story, it features Manny Calavera, a travel agent at the Department of Death who guides newly dead souls embarking on a journey through to the ninth underworld.

If there are any constants to the video game industry, they are its continual rapid expansion and its ruthlessly cyclical nature. Since the days of such arcade hits as Atari's *Pong* and *Pac-Man* 25 years ago, no console or game has dominated the market for more than five years. In a fiercely competitive world dominated by Japanese companies, Atari, Nintendo and Sega have all had their turn on top of the video game heap. Now it is the turn of Sony's PlayStation.

No console has enjoyed greater dominance than PlayStation. Since its launch in late 1995, 12.5m PlayStation have been sold in the US, with more than 40m shipped worldwide - and counting. Sony estimates that one in every eight US homes has a PlayStation.

With the dominant hardware comes a cut of the accompanying software - Sony has managed to grab 70 per cent of the domestic US video game market. In less than four years PlayStation and its games have come to account for about 26 per cent of Sony Corporation's first quarter profits.

Approaching its fourth Christmas on the market, the PlayStation looks in good shape to defy the odds and go beyond the standard five-year cycle. Certainly, there is little competition on the immediate horizon. In Japan, Sega released *Dreamcast* last month, plus a new console which includes a Microsoft operating system and a modem providing full internet access for online gaming.

To some, *Dreamcast* marks the oft-heralded arrival of technological "convergence"

- the black box which combines PC, telephone, and web-browsing needs, as well as being a game console. Sega is determinedly modest about *Dreamcast*'s abilities. "We're not going after being a multi-media box," says Dan Stevens, director of public relations for Sega. "It's a game machine, and it does more kinds of games, better kinds of games than

Sony estimates that one in every eight US homes has a PlayStation

any machine before. Our focus is on entertainment." If games are the key, then *Dreamcast*, with only four games for its start-up, faces stiff opposition when it is released in the US in late 1999. Even if Sega's technology is better, it is competing with PlayStation, which has more than 400 titles, and Nintendo with 115 available for its N64 machine.

The explosive growth of the market can be traced to Sony's ability to attract game players from beyond the traditional base of teenage boys.

"Kids have long been a core market and the introduction of highly advanced games targeting a broader audience has turned entertainment software into a mass market," says Doug Lowenstein, president of IDSA. "In fact, those over 18 years old now represent the majority of video and PC game players."

"We went out and targeted our marketing not just to young kids but to a much wider group," says Andy House, vice-president for marketing at Sony Computer Entertainment. "We realised that there were people out there who had played video games as teenagers on previous systems. They were 10 years older but we found video games were still part of their entertainment and they would be intrigued and interested in this system. So we always talked about our core target as the 13-to-34 age group."

Sony quickly discovered that PlayStation was also

extremely popular with the 34-34 age group, which shares many similar interests in music, film, and television shows, as Sony's initial core target. And PlayStation delivered what they wanted, introducing 3D arcade-quality games into the living room.

But what drew the older generation to Sony's console were the sports games. Football, hockey and basketball games were increasingly reproduced with a realism and speed approaching the verisimilitude of a television broadcast. This realism has been augmented by the use of real well-known commentators and up-to-date team lists (in Europe, the big seller was the motor racing game, *Grand Turismo*).

One side-effect of the eruption of game-playing into the mature male consumer market is the continual shoving of plans to design games for females. Not that many in the industry appear worried.

"The same question has been asked of the video game industry for 20 years," explains Jeff Levy, a vice-president at 989, a software-producing company owned by Sony. "But I don't think that most male dominated products would appeal to women? Or do they just go after their core demographic."

"Do we have the luxury of developing products for women? It is that age-old adage, a dollar chasing a nickel. Isn't it better to fish where the fish are?"

Levy does admit to playing video games with his wife at home. "My wife and I play *Twisted Metal*. She loves being able to drive around and blow me up."

But while it is easy to ignore 50 per cent of the market when there is so much profitability in the other 50 per cent, Sony still needs to search for new markets to avoid being washed away by the next wave of technology. To this end, it is focusing its marketing machine on a forgotten group of non-gamers.

"Now is the time to go after the younger market," says House, when asked about PlayStation's Christmas marketing plans. "What is odd for us, is that the one untapped market is the under-12s."

Some companies have already taken aim at the under-12s. Brenda Laurel, a 30-year veteran of the video game industry and former director of marketing at Atari, started up Purple Moon in Silicon Valley, a software company dedicated to designing games for girls, in 1996.

"If we don't reach them before the age of 12," explains Laurel, "they will never get into it. Girls become most at risk of dropping out of such pursuits as mathematics and science at that cusp of adolescence."

Already Purple Moon has published games such as *Bokeh's New School* and *Secret Paths in the Forest*. Both adventure games are without the fighting or the guns endemic to boys' games. There is also a girl's soccer game, *Starfire Soccer Series*.

"We [the video-game industry] have been stuck on a plateau without any new genres," says Laurel, "and that is really related to the belief in the industry that only a certain demographic

would play their products. As long as they could offer things that were selling there was no motivation for inventiveness, for bringing vigour into the industry."

The biggest threats to the hegemony of PlayStation, or any of its competitors, come from such "platform free" sources as the internet and PCs. The better-resolution graphics of PCs already makes them more popular with many hardcore gamers.

There are even professional tournaments for multi-player internet games that attract people from all parts of the globe. Internet access allows a player to join a web game at any time of the day, wherever they are.

It is little wonder that Steven Spielberg is producing video games

However, the cost of the premium PCs needed to play games competitively runs into thousands of dollars, while a console can be had for about \$120.

That might change with the expected fall in PC prices, leading some analysts to predict that by 2002, online gaming will account for up to 25 per cent of the gaming industry. And there will be many more female players, depending on the games.

"I don't think that anyone has yet figured out the secret formula," says Chris Charla, editor of *Next Generation*, about what pulls females to play games.

Meanwhile, for the boys, there is a steadily rising tide of hyper-competitive racing and fighting games disguised as adventure, action, puzzle, sports and role-playing genres. Striding at the head of the flash flood

of Christmas titles is Lara Croft.

Her attractions to men are obvious. And like any self-respecting "star", Lara Croft has not only spawned numerous web sites but has also had books written about her.

And while she has spawned a legion of fanzine-dressed female action heroes, *Dark Earth* stars Della, even more pneumatic than Lara, and *Deathtrap Dungeon* goes so far as to feature a dominatrix - Lara Croft's defenders are quick to point out that it is not enough to be just a hot babe with a rapid-firing gun.

"There are a lot of characters who are anatomically superior to Lara Croft," says Paul Baldwin, a vice-president at Eidos, the company distributing *Tomb Raider*. "But at the end of the day *Tomb Raider* has the full package, and Lara Croft is just part of the *Tomb Raider* world."

More explicitly sexual material, which was a great spur in the selling of video recorders in the past and the internet in the present, is unlikely to be used in the same way for video games. While it might seem that video games with adult content would be a natural for the expanding market, Laurel thinks otherwise.

"X-rated games are always problematic for the video game industry," says Laurel. "This is still essentially a family industry."

As another game software designer says: "There is plenty of gratification to be had on the internet."

And there is still plenty of gratification to be had from the games at present being released - hours and hours of it, considering that most require up to 30 hours of concentrated playing for a hard-core gamer to finish them.

Quite enough to outlast any family over Christmas and into the new year.

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Joe Rogaly

Evolutionary argument

'Today we face a choice between methods of reproduction. Alas, there is no divine guidance'

Page III

NEXT WEEK

True Fiction

'Why I dug under my house in an attempt to cure my backache and asthma'

In FT Weekend

PERSPECTIVES

The Nature of Things

The answer may lie in manure

Modern agriculture can feed millions but it carries big environmental costs, says Kate Bendall

The world's population has increased nearly fourfold during the 20th century to almost 6bn people, and demographers predict it will continue to rise to between 8bn and 10bn over the next century. Farmers produce enough food (on average) to feed such a large population only because of drastic changes in agriculture over the past few decades, collectively referred to as the "green revolution".

The green revolution involves using high-yielding crop varieties, chemical (especially nitrogen) fertilisers and pesticides, irrigation and mechanisation. Although feeding so many is remarkable, the environmental costs associated with it are huge. Many scientists fear high-intensity farming will not be sustainable in the long term.

Local problems associated with high-intensity farming include increased soil erosion, decreased soil fertility and reduced biodiversity. There are also health concerns: intensively farmed crops and livestock are highly susceptible to disease, and high nitrate levels have been linked epidemiologically to some human cancers.

On a wider scale, leaching of nitrates from fertilisers into rivers and lakes produces eutrophication (the enrichment of water by a previously scarce nutrient).

Eutrophication promotes overgrowth of algae and cyanobacteria. These species use up soluble oxygen, and so endanger the lives of fish and crustaceans.

Heavy use of nitrogen fertilisers also has serious consequences at a global level. The action of bacteria on nitrates in the soil releases nitrous oxide into the atmosphere. Although concentrations of this gas are still relatively low, it is involved in two damaging processes. First, it contributes to the destruction of atmospheric ozone. Second, by absorbing outgoing radiation, it encourages global warming.

More sustainable methods of producing food are badly needed. Research reported in the journal *Nature* suggests organic farming methods may produce unexpectedly high yields, as well as having reduced environmental costs. The researchers, from the Rodale Institute in Pennsylvania, compared plots of land farmed in three different ways over a 10-year period.

The first plot consisted of a maize/soy bean rotation and was farmed conventionally, using a mineral nitrogen fertiliser before maize was planted and applying pesticides as needed. The other two plots were farmed organically, without the use of synthetic fertilisers and pesticides.

One was a "manure system", in which legumes and grasses were fed to beef cattle and manure from the animals was returned to the field as a nitrogen fertiliser for the maize. The other "leguminous" system used leguminous plants, which "fix" atmospheric nitrogen into organic compounds in the soil, in a crop rotation to supply nitrogen for the maize.

The astonishing result of the study is that all three systems were almost equally profitable over a 10-year period. Maize yields from the organic systems were as high as those in the conventional system, even though chemical fertilisers and pesticides were not used. The scientists also reported less surprising,



but very significant, environmental advantages in the organically farmed systems.

First, soil fertility (measured by levels of stored nitrogen and carbon) rose substantially in the manure system and to a lesser extent in the leguminous system,

but was unchanged or declined in the conventional system.

Second, over a five-year period, the conventional system lost about 50 per cent more nitrogen through leaching into groundwater than either of the organic systems.

These results add to evidence which suggests the quantity of fertiliser applied to crops is not the main factor affecting soil fertility. The type of fertiliser, and the time at which it is applied, are also crucial.

In the manure system, the manure applied was already partially decomposed, and so contained a high proportion of organic compounds which were resistant to rapid breakdown. This may have minimised the losses of nutrients from leaching.

Timing of fertiliser applications also affects how efficiently the crops in conventional systems take up applied minerals. A single application of mineral fertiliser boosts nitrate levels greatly over what plants are able to use, and excesses are leached away. In contrast, nitrogen from organic fertilisers is released gradually. This may better synchronise availability of nutrients with plant needs, so reducing wastage through leaching.

These results have immense

environmental and economic significance. Organic farming methods were used for millennia before the green revolution, and the new data suggest these age-old methods can provide part of the solution to the environmental hazards of high-intensity agriculture. At the very least, careful adjustment of fertiliser application rates and timing to suit crop needs could maintain high yields from a maize/soy bean crop rotation, with both economic and environmental advantages.

Further research is needed to find sustainable methods of agriculture in a range of environments. For example, farmers in developing countries with tropical climates face acute problems, as these climates tend to foster diseases and pests that have traditionally been difficult to control without environmentally damaging chemicals that have wide-ranging effects. Research on soil biology, plant nutrient requirements and interactions with insects and other pathogens should lead to less damaging agricultural practices.

The simple requirement of producing enough grain to feed everybody without serious environmental damage is a key challenge for the new millennium. *Kate Bendall, Mammalian Genetics Unit, MRC Harwell, Didcot, Oxon OX11 0RD.*

Minding Your Own Business

Worrying times at home on the range

A former haulier hopes his fingers won't get burnt, writes Clive Fewins

Gordon Pickles has just taken one of the biggest steps of his life. The 46-year-old mechanic from Skipton, Yorkshire, has closed the one-vehicle haulage concern he ran for 26 years and is concentrating on his sideline - making reproduction cast-iron domestic ranges - as his main source of income.

Traditional cast-iron "Yorkshire ranges", fired by solid fuel for cooking and heating, used to be the dominant feature in most kitchens in the north of England. Pickles started making them as a hobby in 1968. He founded the Yorkshire Range Company in October 1983 and since then the enterprise has been producing small profits every year.

He decided to close the haulage business because of the frequency with which he had to replace his drivers. The departure of the latest in September was the last straw.

"I was thoroughly fed up with having to leap into the lorry each

agrees that the time has come to make the move that we both knew was becoming inevitable." It is a risky move. In its first year, the Yorkshire Range Company made \$4,300 on a turnover of \$17,700. In 1996-97, when Pickles again had to drive the lorry for most of the year, the figures showed a profit of \$5,300 on a turnover of \$22,778.

Nevertheless, Pickles is determined. He already has a van for the range business so he is selling his four-year-old truck for \$20,000.

This will provide some money to tide over the family - he has two children - while he builds up the order book. When he completes the model he is working on with his part-time assistant, retired millwright Bernard Boynton, 68, there are no more orders for new ranges.

"Despite a turnover last year that was more than double our previous highest, and net profits that I hope will approach 40 per cent, the outlook for the range business is quite worrying," says Pickles. "This summer, because I thought the foundry in Bradford that has been supplying me with a lot of material was about to close, I bought castings to the value of \$3,000 - enough for about 10 ranges. We are, therefore, very overstocked."

Although his haulage business had earned four times more than the ranges, he feels the business has potential. If things prove very difficult, he can fall back on



Gordon Pickles: technological advances have allowed him to make his ranges run on gas as well as solid fuel

renovating ranges, or vehicle maintenance. In the large workshop at the rear of his house.

The other fallback is property. He and Jeannette, who teaches in a morning playgroup, own two houses adjacent to their own and let them on long leases. "We do not live extravagantly, we do not pay school fees and we have a few shares. We believe we'll manage," says Pickles.

There is little competition. Although several UK companies will renovate the facades of old ranges and install them in houses as a non-working feature, Pickles knows of no other business that specialises in complete

reproductions. He fell into the business nine years ago when, for a few pounds, he was offered an old broken range. He turned it down, but the memory lingered.

Two months later he heard the range was still for sale and he bought it for \$250, £200 less than originally asked. He spent several weeks restoring it and found a pattern maker and a foundry to take castings from it.

His first sale was to a woman who wanted a refurbished range. "She came to see my stock of secondhand ranges - I had acquired quite a lot by that stage - and was able to see, like me, that it makes a lot more sense to

produce authentic reproductions," Pickles says.

A vital part, which cannot be replicated, is nearly always missing if an old range is removed from an existing chimney-breast. Very often, the castings - many more than 100 years old - warp, so the stoves will not work when they are reinstalled elsewhere," Pickles says.

In 1994, he introduced a new model called the "Ripon", based on a more advanced range he found in a house near that Yorkshire town.

"It was in good condition and Bernard and I were able to remove it from the chimney-

breast section by section so that we could take castings from it. We now make it in two sizes as our standard model. So far we have sold 37, including 12 gas-fired versions," Pickles says.

He has sold ranges as far as Dorset, Ireland and the Isle of Skye, and installed most of them. He believes one of his main potential markets is to expatriate Yorkshiremen. He would also like to attack the US market. He feels the ranges have the luxury and homespun novelty that would appeal to Americans.

Pickles says: "I am sure there is a future in the business if I can get the marketing right. Business

seems to have come in without my having to promote the ranges very hard. But as the economy seems to be slowing down, I think I shall advertise."

He has a client in the Midlands who is happy to demonstrate his range to potential customers in that area. And he may put one in a showroom in London.

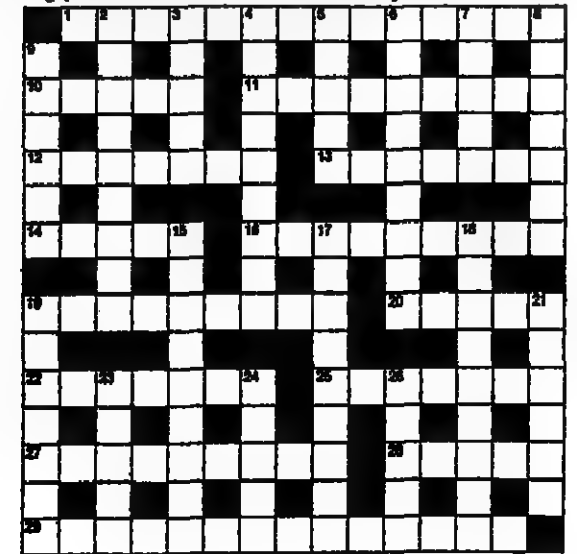
He needs to sell 10 to 12 ranges a year at between \$3,000 and \$4,000. But "it remains to be seen if I can make real money manufacturing them," he says.

The Yorkshire Range Company, Japonica, Balton East, Skipton, North Yorkshire; tel: 01756-711953.

CROSSWORD

No. 9,863 Set by CINEPHILE

The prize of a matching set of finely engraved personalised notepaper, envelopes and correspondence cards on Ecu Kid Finish Paper from Crane & Co will be awarded for the first three correct solutions opened. Solutions by Monday December 21, marked Crossword 9,863 on the envelope, to the Financial Times, Number One Southwark Bridge, London SE1 1HL. Solution on Thursday December 24.



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BRIDGE

Watching hands at your club is rarely a wasted experience. You can learn about the cards and you learn about the people: these characters are future opponents and partners, and everything they do is revealing.

N
3 One embraced by King George is beyond help (5)
4 No profit keeping flier, card? This one's an awful burden (5)
5 Last month's alternative style for room (5)
6 Lightning under all quarters - special announcement (4,5)
7 One with rent problem put being ground (5)
8 Where constituents may be seen to sweep the line (7)
9 The god of seals and female complainers (5)
10 Introduce some lyrics in due course (9)
11 10 across's debts are like a vice (9)
12 Bad press in face of sending off (8)
13 Have a flag to switch on lamps of car? (5,2)
14 Far from partial to the one-liner? (6)
15 Contemptible fellow takes (5)
16 Plenty to go for a house here (5)
17 French gentleman splits arts graduates, the snake (5)

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PERSPECTIVES



Ethics Today

The slippery serpent of human identity

Joe Rogaly fears we are set on a path that will enable us to manipulate our very fibres

God never said it was a sin to clone a sheep. Nothing in the Ten Commandments forbids the manufacture of identical human twins in test tubes. Since we mortals invented these things, it is we who must decide whether to use them.

This could be tricky. When we knew where babies came from, we knew what was permissible. Today we face a choice between methods of reproduction. Alas, there is no divine guidance.

The reason is plain. Science is amoral. Whoever wrote the book of Genesis made a big mistake.

The fruit of the tree of knowledge tells us which about good and evil. It just enables us to discover the genetic composition of the apple. Come to think of it, Eve has much to answer for.

That fatal bite of herk opened our minds, led to the evolution of reason.

In the twinkling of a few thousand years we find ourselves racing away from the biblical environment, drawn by science, technology, and the market economy. This troika is the most powerful product of human ingenuity yet known. It moves at ever-increasing speed. The landscape is a blur. Moral precepts formerly regarded as absolute were established by theologians who inhabited a world that is far behind us.

None of them could have imagined such a thing as 21st century biotechnology. That is why the mention of ethical issues in a report published in Britain this week seems anachronistic. The paper, produced by a pair of

quangos, supports the ban on what it calls "human reproductive cloning", while calling for relaxation of the rules on "therapeutic use" of human raw material. It sounds too conveniently sensible to be wise.

Let me explain. Most people fear the consequences of producing offspring in a manner not achievable by nature, as many or more not their heads in sympathy when offered a list of dreadful illnesses for which a cure might be found if such-and-such an experiment with reproductive tissue were allowed to proceed.

The authors, representing the Human Genetics Advisory Commission and the Human Fertilisation and Embryology Authority, have done their best. They wrestle with the slippery serpent of human identity. "In our view,

persons are more than their genes," they say. This is proved by the difference between identical twins, nature's clones.

Yet the production of genetically identical persons in different generations, impossible in nature, "could raise novel problems". That is one reason for rejecting cloning in cases of infertility.

Anyhow, grown-up clones might be less highly valued than the natural-born.

There are other difficulties. Deconstructed embryos of animals die, or develop abnormalities. We could manufacture freaks. Even if that is discounted, many people recoil at using human embryos as a means to an end.

We know that these doubts will be flattened by the hooves of the troika. Proponents of these

pedic experiments with human embryos and cells are kidding us, and themselves, when they insist that there is no next step.

Granted, human cloning is illegal in many countries, but then so, once, was abortion. The line may hold for a while, but we all know in our bones that it will be crossed.

Some of us are apprehensive about this. If technicians in white coats can buy, sell and manipulate elements of life, what is the value of any one of us? Where is the soul? Its existence is widely, but not universally, denied, but it was not always so.

The ancient Greeks and Romans assumed that an individual was created when the spirit entered the fetus. In the 17th century, some theorists

thought they saw a tiny person in the head of the sperm cell. Catholics think life begins with conception.

Such faith must be difficult for even the most devout to sustain. The old certainties are fading; we are dazzled by the new enlightenment. We know we evolved from protoplasm along with all other life forms, but we are aware of this because of our uniquely sophisticated brains.

These have led mankind to the brink of the ultimate self-destruction. We are preparing to tell ourselves that we are all-powerful, a race of gods.

For we are likely to become the arbiters of our own evolution, consciously shaping and perfecting our species. The product of our genes, we seem set on a path that will enable us to

manipulate the fibres of which we are made.

The prospect is dizzying, rather like the contemplation of infinity, or the void. Perhaps I have read too much science fiction. I confess to a diet of "Amazing Stories" and "Astounding Tales" in my youth. Many fine writers contributed to these pulp magazines. Their covers often featured a bug-eyed monster churning a maul in distress.

Inside, the authors would try to apply conventional values to the improbable situations they dreamed up. The *Star Trek* stories usually contain a moral. Now that reality is catching up with our imaginations, we seek desperately for rules of behaviour to which we can comfortably adhere.

Joe Rogaly@ft.com

Breakfast with the FT

A lone voice not quite silenced

Frank Field puts his loss of office into the context of political history. Simon Kuper reports

Before I can ask Frank Field a question, he is telling me a story about a man named George Bell. I am unable to interrupt because my mouth is full. Field has persuaded me to order the full House of Commons cooked breakfast while taking only a cup of tea for himself, and he has seized the moral high ground by paying for everything.

I want to pick over Field's resignation as welfare minister in July, but he wants to discuss the two shopping bags full of Bell's papers that he was given recently.

Bell, it appears, was an Anglican churchman who nearly became Archbishop of Canterbury but had to settle for Bishop of Chichester. "Bell cared passionately about not getting the top job," says Field. "And I think that makes him a bigger figure."

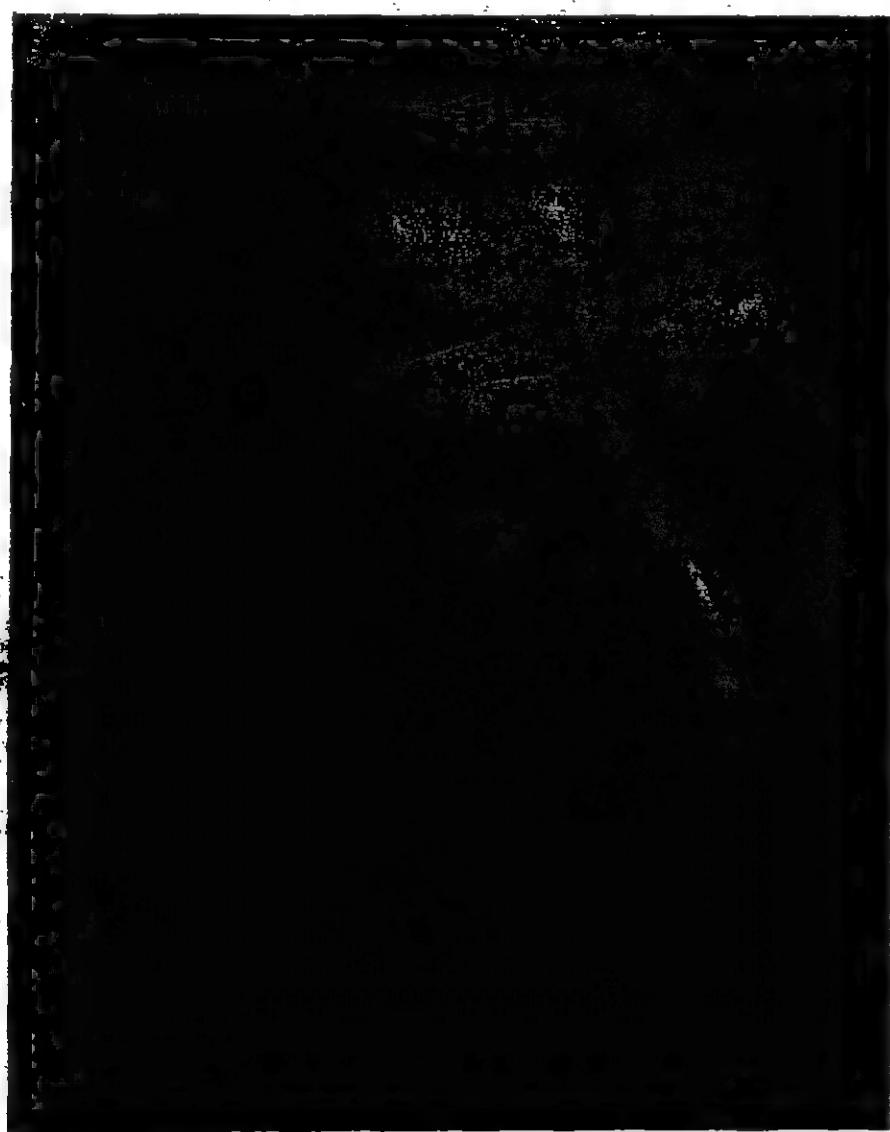
Field is perfectly aware of the parallels between Bell's life and his own: two Christians, two long voices, two disappointed ambitions. And, like Bell, Field knows what it is to be regarded as a useless politician.

His resignation from Labour, particularly when he was told the House of Commons that Gordon Brown, the Chancellor, had blocked his plans for welfare reform. Various Labour figures have been into him in public. Field, they said, was a woolly theoretician who did not understand that governments must make policy.

Alastair Campbell, Tony Blair's spokesman, reported that Field was "not best suited to running a government department" (which, failed to explain why, days before, Blair had offered Field another job).

At 56, Field is almost sure he will never be a minister again. "I have read too much political history about those poor souls who think that if only they ingratiate themselves they will come back," he says. "The job is an important thing and I would have liked to have done it. But it's not everything."

And he recalls the scene in



Frank Field: It's quite important not to hike your conscience around on your lapel

Don Paterson/London

the film *A Man For All Seasons* when Thomas More asks his accuser Richard Rich what he is wearing around his neck. "It's the chancellor of Wales," answers Rich. More says: "To sell one's soul for the world, Rich, but for Wales, for Wales!"

"Mind you," Field adds, "in modern politics it's quite a coveted position, isn't it?" Field will not walk the corridors of the Commons for decades muttering his grievances. He has things to do, and interests outside work - for instance, there can be few people who know as

much about British political history.

Yet the Blair years should have been his era. Field is not just a clever man who knows everything about welfare. More importantly, the prime minister, like Bell, is his soul mate. Both Field and Blair are Anglicans who

believe that people are driven by self-interest and that the poor need jobs instead of hand-outs.

Before Blair arrived, Field had disavowed Labour. He recalls being telephoned the day before the 1997 election by an aide to Neil Kinnock, the then party leader. "We'll be calling you from Downing Street tomorrow," the aide said.

"Oh," said Field, "there is a call box on Downing Street."

The next day, knocking on doors in his constituency, Field was told by a voter that Labour were "a shower".

"Sir," said Field, "I couldn't agree with you more."

When Blair became leader, Field rejoiced. He remembers asking him in 1996: "Do you want to be prime minister, or do you want to be a great prime minister? Because the great prime ministers, like Clement Attlee and Lloyd George, reformed welfare."

Although Blair remained silent, Field concluded that he wanted to be a great prime minister. And he claims that a year before the 1997 election Blair told him: "I hope to make you social security secretary straight away." Field would get his chance to turn the £100m social security budget upside down.

But Blair gave the secretary's job to Harriet Harman. He made Field a junior minister with the brief, famously, to "think the unthinkable" and to write a green paper that would set out Labour's reforms.

Working with Harman - who was not, it is said, his intellectual equal, and also not his friend - Field found that his notes and memos failed to reach Blair. Once,

during a debate around the cabinet table, Blair said: "Frank, we are going to publish this green paper in three days and I haven't heard your views before."

Field fetches two more cups of tea, and I take the chance to ask him whether the problem was not the two-headed nature of his department but clashes over policy. Field is close to Blair and Brown in most ways:

He will not walk the Commons corridors muttering his grievances

jobs not done, responsibility, second pensions.

However, Field opposes means testing: the principle that people have to prove they are poor before receiving benefits. Field says this discourages people from finding jobs - because they then lose their benefits - and also encourages them to cheat by not declaring income. Brown, by contrast, is a means-tester.

I ask whether there were ideological differences. "Certainly not with the prime minister."

Field also denies being a thinker rather than a doer. He did have workable policies, he insists, such as

introducing second pensions.

However, these would have cost money. To make everyone save for another pension, with some money funnelled towards the poorest, would probably be perceived as a tax. Labour was not ready for that, and Brown wanted his own man in the biggest spending department, so Field had to go. But to explain the waste of 15 months' work on welfare, the party had to go to the end of the earth to destroy Field's reputation.

Yet it remains true that Field was a bad politician in that he failed to get his policies implemented. Perhaps the problem was the lack of a champion. Field agreed, with Blair, liked Blair, but never got close to him. Cultivating people is not his way. The one politician he constantly praised was Margaret Thatcher, and that did his Labour career little good.

Field did not have much support around the country either. I ask him why he is regarded as a sort of Victorian poorhouse warden.

"I know," he says. "No one expects me to be humorous. But even when Kinnock said something deeply serious, everyone would laugh, because they expected him to be humorous."

Field's looks don't help: he appears grey and cadaverous on television, and is unusually neat.

In the tea room, wearing a tie underneath a blue sweater, he looks like a schoolmaster.

As does the fact that our combined breakfasts cost less than £3. "No one," he says, "has looked at the real reason why a House of Commons pass is so valuable."

Last of the student whine

Eve Modzelewski, an American abroad, ponders on her country's urge to complain

What do you think is the main difference between life in the States and life in the States? I casually murmured, between gulps of my pint, to a Londoner I met at the pub next door to my apartment.

He gave me a squinty glance that implied I might be overstepping the limits of nonchalant pub talk, then reluctantly responded. "The British are afraid to speak up about what they dislike... unlike Americans."

Was this a personal insult aimed at me, an American college student who had spent almost three months in London, or just a euphemistic way of saying Americans are a nation of whiners? Maybe it was best not to complain about the ambiguity.

Instead, I reflected on how my venture away from my sanctuary, the University of North Carolina in Chapel Hill (UNC), into a tiny seven-person flat on Gray's Inn Road, has brought some cultural differences to light.

My departure from the US coincided with a landmark complaint in American politics - the public release of the report of the independent prosecutor Kenneth Starr last September.

Sitting in the airport, I remember how eager I was

to escape the sensationalism that bombarded me from the airport news stations. I wasn't aware the topic would follow me into the pubs of London, attaching a puritanical stigma to my American classmates and me.

I have had to prove I am not influenced by this puritan mentality upon which the US was founded. Regularly downing a few pints is how I try to correct this misconception. "After all, I am still a year shy of 21 - the legal drinking age in the US, where drinking includes a series of rituals quite different from those in London."

It is rare for UNC students to venture out of their dorms or apartments and into the fraternity parties or bars before 11pm. I tried to adhere to this social timetable on my first night out in London, only to find myself mocked by the sounds of the "last orders" bell. Fortunately, I was able to make the necessary alterations in my schedule, allocating the early evening to pub visits.

Not that pubs are my only source of cultural education in London. Navigating my way through Bloomsbury to classes is a learning experience in itself. I have learned to adapt my strides so they emit a sense of urgency. "Must reach class without

getting hit by a motorbike..." I remind myself as I walk. The only thing I ever had to dodge in Chapel Hill was the occasional stray Frisbee, thrown by a co-ed in a back-to-front baseball cap. I haven't had this problem in London.

I find when I walk faster and wear darker clothes, I am frequently asked by tourists for directions to the British Museum, which I pass on

Navigating through Bloomsbury to classes is a learning experience

my way to class. Of course, I get very sceptical responses when they distinguish my accent.

I have learned that, when I am running late for class, it's best to wear blue jeans, a sweatshirt, and tennis shoes: the unofficial uniform at UNC. That way, tourists will know I am one of them.

Once I have made it to my classes at Great Russell Street, I am in more familiar territory. Paper-writing and classroom discussions are about the same as at home, but varying accents occa-

sionally impede discussions between British professors and American students.

I was convinced "bangers" was the name of a British football team until one of my professors pointed out they accompany your eggs. I was similarly thrown by references to biscuits. Somewhere along the transatlantic voyage the meaning changed, and a biscuit became a bakery, flaky roll in North Carolina, while it remains a sweet staple at bedtime in England.

I can adapt to different terminology, but I miss the practical amenities of life at UNC - for instance, a single tap that yields a warm combination of hot and cold water in the bathroom sinks, although I must admit that the shocking alternation between scorching hot and icy cold water on my face serves to wake me up faster in the mornings. Also in the US, I became accustomed to killing in luxury such as 24-hour supermarkets, which are few in London.

The complaining for which Americans have become notorious has not helped university students evade huge tuition bills each semester. Even public universities such as UNC cost far more than the new tuition fee of about \$1,000 at public English universities. I saw evidence of student pro-

tests about this fee on a Tube poster that read, "Grants not Fees."

Maybe the British are just more selective than Americans in their complaints. Instead of complaining about the water temperature in their flats or slow service in restaurants, they rally against the imposition of student fees.

And maybe, if we Americans were more selective over our carping, we would receive more effective responses. American students studying abroad, myself included, should complain about the exorbitant university fees at home, for example.

Somewhat, this seems more justified than whining about having to use a power adapter on my American-made laptop.

Then again, I should refrain from complaining altogether during my time in London. After all, there is plenty more to keep my mind off whining here than there is in Chapel Hill.

My stay in London might be much more fulfilling if I ignored the urge to complain and instead threw on a dark coat, walked the streets with the momentum of a Tube train, and headed out to a pub. And the next time I see my acquaintance at the pub next door, I will prove his theory wrong.

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"The Perfect Hosted the World"



PERSPECTIVES

It is Friday afternoon in the City of London and two former Merrill Lynch bankers are sitting in tiny, spartan cubicles looking for work. A poster at their career management consultancy asks: "Is it too late to run away and join the circus?"

A short walk away along Cheapside and Le Coq d'Argent, one of a swathe of new restaurants to open in London this summer, is packed. Its lunchtime diners hail from the City and spend more money per head than at any other Terence Conran restaurant in London.

These are the best and worst of times in the City and on Wall Street. A bumper first half of the year, when many firms earned record profits, led executives to expect record year-end bonuses. Then the Russian debacle in August prompted mayhem in the world's financial markets and a round of cost-cutting which has led to thousands of investment bankers being sacked.

Fears of another 1987 or even 1929 were widespread until falling interest rates and a wave of fresh investor optimism saw Wall Street reach new highs in November. Now nobody knows whether we are in the age of financial enlightenment or incredulity.

In the wake of the market crash of 1987, the Centre for Economic and Business Research (CEBR), a London-based private think tank, estimated that more than 20,000 jobs were lost in the City, prices of premium London property went into free-fall and sales of luxury goods plummeted.

Yet the City is divided now between those who have hopes of a huge bonus and those who have no job. Uncertainty reigns as banks postpone decisions until after the year-end and speculation mounts about the possible black holes they are hiding. This confusion has helped to highlight the reality of working in the financial world in the late 1990s.

Among the few certainties are the number of highly paid front-line jobs which have already been axed. Merrill Lynch, the investment bank known as the "Thundering Herd", appeared to judder to a halt when it fired 3,400 people around the world, 5 per cent of its workforce, in October.

Others to have cut financial jobs include ING Barings, the London International Financial Futures and Options Exchange, Grupo Santander and Robert Fleming Securities.

Hardest hit have been emerg-



Cold wind on financial front

Jane Martinson and Tracy Corrigan on the prospect of bloodletting in the City and on Wall St

ing-markets and fixed-income divisions, while those working in equities or corporate finance are still enjoying a largely profitable year.

The experience of Pieter (not his real name), who has worked in the City for two years, is symptomatic of recent turmoil. His first job in the emerging-markets division of a UK-owned investment bank lasted just over a year before he was made redundant following a takeover.

He then started as a European equity analyst for Merrill Lynch before losing his job in September. He is now back at his old firm but working as a UK equity analyst. "The atmosphere in emerging markets is pretty bloody horrible," he said.

He was glad to leave Merrill Lynch, however. He went back last month and was told by a former colleague that coffee and biscuits in the fifth-floor meeting rooms were no longer available as "that was where the hangman was". Staff at the US bank had been called up to these rooms

to be told they were being fired. Merrill, under pressure from Brussels, had broken with City tradition, however, in allowing staff to go back and clear their desks.

Other banks are suffering from the threat of impending upheaval. The tie-up between Deutsche Bank and Bankers Trust of the US is set to lead to 5,500 people losing their jobs. One London-based headhunter said: "It's going to be a bloodbath."

Many observers think the outlook for those who have lost their jobs during the latest round of cuts is particularly bleak. "This has been the fastest, deepest decline I have seen," said one Wall Street headhunter, who added that many people who have lost their jobs will be out of the industry for good.

Others feel we are simply witnessing the latest round of healthy rationalisation with banks using the downturn to get rid of some dead wood. Stephen Lewis, the chief economist at Monument Derivatives who is

credited with correctly forecasting the number of job losses in the City after 1987, believes there is a certain amount of rationalisation going on.

He believes 20,000 of the 250,000 City jobs in London could be lost in the next 18 months because of

'The atmosphere in emerging markets is pretty bloody horrible'

changes in the industry rather than what happened this year. Most of these will be front-line positions.

"There was a sharp blow to confidence after August, but it's a process that would have occurred in less dramatic fashion anyway because there are too many banks competing in the

market for investment banking services."

One headhunter agreed: "It's given some banks the opportunity to clean up after six or seven years of a bull market. It's a bit like dead-heading roses - but on a huge scale."

Such longer-term rationalisation is unlikely to make this year's round of bonuses any less contentious. Banks which have not announced large-scale job losses are rumoured to have cut the total bonus pool by at least 15-20 per cent.

But the sharpest cuts are expected to fall most heavily on a handful of areas. Laura Lofaro, president of Sterling Resources International, a Wall Street executive search firm, said staff dealing with fixed income products "will be ecstatic if they have jobs. Their attitude is pay me no bonus, just let me stay employed," she added.

The CEBR published a study on City spending habits two years ago which found that bankers saved half their bonuses and

spent half of the rest on property.

So when these cautious spenders find themselves living with uncertainty, one of the first things to be affected is the property market. One Wall Street corporate financier decided to lose a deposit of several hundred thousand dollars for a Manhattan apartment in October rather than go ahead with the purchase in uncertain times. Another potential buyer was reported to have pulled back from buying a \$20m (\$12m) mansion, with a resulting loss of \$5m.

In London, the very top of the market was hit harder than any other in the third quarter with sales of houses worth more than \$2m almost completely drying up.

October was also a bad month for the high-value collectors' car market. However, Porsche, the car of choice for the 1990s trader, said that demand in the UK had continued to hold steady in the third quarter.

All but the most impulsive of purchasing could be affected by

continuing job fears, of course. Douglas McWilliams, CEBR chief executive, said: "Non-essential items are bound to be more volatile. People are not going to keep cars waiting outside for six hours while they sort out a deal, especially if the deal flow dries up."

Severe cost-cutting by companies themselves is also having an impact on the wider economy as travel and entertainment budgets have been slashed.

One profession which has seen a surge in business is outplacement consultancy, which advises fired employees on their future. Jo Bond, head of the City branch of Right Cavendish, said the company was advising about 250 people in November compared with about 40 a month in the spring.

This firm, which charges between \$4,000 and \$5,000 for an average outplacement scheme and \$20,000 for a key executive programme, has seen a change in the type of person it advises. "They have got younger and brighter and the stigma has gone," said Bond. "People are coming out because of mergers and acquisitions or losses that at the end of the day have nothing to do with them. It's becoming more of a financial transaction."

This cheery view recognises that the average package for people made redundant is about six months' pay. Xavier Jordan, who is soon to leave his Moscow-based job with J.P. Morgan, said many job cut victims this year will take time out. "Everyone is so incredibly battle-fatigued and shell-shocked," he said.

"The first three months of this year were incredibly busy, the best for anyone ever. People are just taking the time now to get to know their kids or just to sleep before getting up again in January."

Allen Wheat, chairman and chief executive officer of Credit Suisse First Boston, made no forecast when he spoke at a gathering of the investment bank's managing directors in Florida in November.

He said *A Perfect Storm*, the title of a recent best-seller about a catastrophe off the coast of New England, reminded him of this year's market.

The only difference, he said, was that nobody knew whether it could get no worse or whether they were simply enjoying a brief lull while resting in the centre of it.

Soon after the speech the assembled investment bankers left the sunshine for colder climes in New York and London.

Common currency, but no common agenda

Stephen R. Graubard sees little sign of convergence in the EU

To pay visits to the US in this autumn of his discontent, and to the leading states of the European Union is to become aware of two phenomena, neither anticipated nor much remarked on.

The first is that the vicissitudes of President Bill Clinton are of scant interest to most west Europeans. Instead, Europe appears to be very much more preoccupied with itself. This will come as no surprise to those who have recently visited London, Bonn, Paris or Rome.

What is surprising, however, is that none of these capitals is today seized by the same political agenda. Their social, economic and intellectual preoccupations differ greatly, and there are reasons to believe they may indeed be growing increasingly disparate.

The political cultures of the UK, Germany, France and Italy remain visibly different, and do not appear to be converging.

But two facets have changed. First, for the only time this century, these four member states of the EU are led by politicians who purport to belong to the left, whatever meaning that shopworn 19th century political label retains.

Second, and perhaps more significantly, the presumably "socialist" leanings of these men are believed by some to provide greater opportunities for effective collaboration, as much in the political, military and social spheres as in the more purely economic.

This challenging proposition might suggest that Tony Blair, Gerhard Schröder, Lionel Jospin and Massimo D'Alema are in fact challenged by the same forces, attentive to the same issues. But they are not.

To travel through Europe today is to be scarcely aware that it is on the eve of a momentous change, one that will bring a common currency to most of the states of the EU. Yet each of these "left" governments seeks to represent itself as innovative, pledged to far-reaching reform.

Take the example of Tony

Blair. He offers himself as a man of the people. He makes the reform of the House of Lords seem a monumental matter, never saying what sort of second chamber will eventually be constituted and whether it will substantially enhance British democracy.

The government's many other constitutional reforms - proposals for a Scottish parliament, a Welsh assembly and elected mayors - suggest this is a government on the move, not satisfied to leave things as they are.

But what resonance, if any, can such purely insular measures have for the parties of the left on the Conti-



ment, which are equally concerned to innovate?

Germany, with its new Social Democratic/Green government, appears even more substantially committed to change. The media have dwelt on whether Schröder will be able to control Oskar Lafontaine, the regime's finance minister and *émigré grise*, or whether a Green foreign secretary is best suited to coping with an unstable Russia.

But these are less consequential matters than whether such a government, justifiably proud of its century-old social welfare programme can be maintained at its present levels.

In a society in which the children of the very large middle class remain at university until their late 20s or early 30s, where retirement by men and women in their early 50s is by no means uncommon, sustaining such a population with so short a working life becomes increasingly difficult.

While the new government insists that it will soon attack Germany's greatest problem - double digit unemployment - the remedies offered so far are not wholly persuasive to those who understand the complexity and depth of the country's social inequalities.

In short, the government's move from somnolent and provincial Bonn to vital, building-site Berlin, is thought to be a transfer of great moment, symptomatic of Germany having finally become a "normal" country, no longer held back from its rightful place in Europe and the world by inhibitions created by its Nazi past.

It is all very reminiscent of the mood in the UK a short 18 months ago: the old socialism of Marx has been obliterated, as traditional Labour had been replaced by a new pragmatism, a "middle way" that allows even long-excluded Turks to hope for German citizenship.

In France, the mood is quite different, as is the political agenda. Many exult in how well *cohabitation* has worked - an arrangement under which the president, Jacques Chirac, accepts he is the country's travelling salesman, selling France's virtues to the world, while Lionel Jospin, the honest, Protestant, uncharismatic Socialist prime minister, reassures the population that the country's problems are in fact being attended to.

But the level of unemployment remains dangerously high, hundreds of thousands of lycée students in Paris and the provinces go on strike, and the older and more staid bourgeois citizens are no less unhappy.

In these circumstances, world soccer victories become national rites of celebration, and the opening of a new Métro line, connecting the Madeleine to the new Bibliothèque de France, with its cars electronically controlled, is offered as fresh evidence of French technological prowess.

If the area around the Bibliothèque is a vast uninhabited "desert" now, it will not long remain so.

What France achieved in the west of Paris, with its once-new Défense complex, it

will soon also accomplish in that area but whether that compensates for the loss of influence in the world, in Asia, Africa and the Americas, is not much discussed in today's France.

In Italy, it is the arrival of a new government, led by the former Communist, Massimo D'Alema, that gives concern to some.

His apostasy from his earlier Marxist beliefs seems insufficient to reassure those who see him as an old-style politician, who, at an opportune moment after the fall of the Soviet Union, recognised the need to change his tune.

No one in Rome imagines that D'Alema has arrived with a social or economic programme to be enacted between now and the election of the new president next spring.

Indeed, after the budget that brought down Romano Prodi is approved, Italy will turn to its most compelling business - the start of the bargaining process that will culminate in the election of a new chief of state.

This, much more than any new plan for political reform, will consume the parliamentarians in the coming months. Italy, as so often in the past, while obviously concerned with the instabilities characteristic of the Mediterranean basin, and of all that is happening in the former Yugoslavia and Albania, is not likely to become a significant player in the international arena.

Proud to have achieved its admission to the euro on the first round, it has no illusions about displacing either Germany or France as a principal EU actor.

Inevitably, the question must be asked whether these four European governments, so consumed with very different political agendas, can possibly unite to give a new direction to Europe.

These are not governments given to heroics; they are cautious, more worried about the future and more evasive about their intentions than they are willing to let on.

Stephen R. Graubard is editor of *Dardanus*, the journal of the American Academy of Arts and Sciences

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Latin A

BOOKS



Back to the days when chemistry on screen rather than off was the important thing: scene from David Lean's 1946 version of 'Great Expectations'

The Visual Collection

Up close and personal

Film books during 1998 have focused firmly on the individual, writes Nigel Andrews

The cult of personality, never a recessive feature of the film world, is becoming pandemic in film publishing. In 1998 a reviewer could not move for such books – they clogged up his shelves. Monographs about monomaniacs; idolisations of the already idolised; film histories wrenched into portraits of the creators rather than appreciation of what they created. One imagines some Kane-like superego of the press crying, "Never mind the movies, tell us about the men and women!" Men and women are to a degree the movies, of course. So we expect and embrace good biographical tomes like John McCabe's *Copney* (Aurum, £16.95), Ronald Bergan's *Eisenstein* (Little, Brown, £22.50), Audrey Salkeld's *Leni Riefenstahl* (Pimlico, £10) and Randy Roberts and James S. Olson's *John Wayne: American* (University of Nebraska, £19.95). All these are good buys, layering fresh colours and contours onto familiar icons and thence, by projection, onto the movies themselves.

But there is an eerie tendency today for film critiquing and film history, not just biography, to solicit the kiss of personality. A *Personal Journey With Martin Scorsese Through American Movies* (Faber, £20) is a dandy pantheon

from a great modern filmmaker; but since he is a maker not writer-commentator, is Scorsese's hundred best any more valuable than yours or mine? And although Charles Fleming's *High Concept: Don Simpson and the Hollywood Culture of Excess* (Bloomsbury, £16.95) puts the sin into "cinema" by rumbustiously exposing the drugs-'n'-sex world inhabited by the late producer of *Top Gun*, *Beverly Hills Cop* and *Days Of Thunder*, does this hefty show-trial of a book add one inch of insight to the movies themselves?

Another 1998 controversy-catcher was Peter Biskind's *Easy Riders, Raging Bulls* (Bloomsbury, £20). This is about the movies: the alleged vanishing of art and individual vision from Hollywood after the 1970s, when Coppola, Scorsese and Altman, following the paradigmatic burnout of Dennis *Easy Rider* Hopper, lost their edge and gave way to toys-R-us directors like Spielberg and Lucas.

Biskind, though, sacrifices reason for readability. Though he touches on the social and economic causes behind the shift towards entertainment and "event movies" after a counterculture golden age that lasted from *Easy Rider* to *Nashville*, he gets so carried away by his own celebrity character-sketching that we come to believe the true cause of change was the

fact that Hopper, Hal Ashby and company took drugs and Spielberg didn't; that Altman and Scorsese were gungho bohemian-radicals and Lucas wasn't; that...

And so on. Basically this is another book asserting that history is all about personal temperaments

There is an eerie tendency today for film history and critique – as well as biography – to solicit the kiss of personality

and their battle with themselves or each other, rather than a complex weaving of social, cultural and industry factors, with the personal element just one among many.

Homocentrism can be argued persuasively, for instance by Charles Drazin in *The Finest Years* (Andre Deutsch, £17.95), a study of 1940s British cinema built as separate chapters on key movers and shakers, from producers like Balcon and Del Giudice to directors like Reed and Lean. Colourful and

engaging, Drazin's book wins us over because it admits its personality-cut approach while encouraging us to read beyond and explore further.

Similarly, *The Penguin Book of Hollywood* (£25) just about succeeds in having it both ways. Editor Christopher Silvestri anthologises the prose of film-biz outsiders and insiders – from Winston Churchill and Bertrand Russell to David Niven and Sidney Lumet – to present a part-satirical kaleidoscope of the greatest accident factory in the world. Only occasionally do we realise that the book's focus, when it can and does focus, is again on the glitterati who form and encourage celebrity-cult polytheism.

Some books, though, have bravely fought the whole damn cult. Thomas Schatz's *The Genius of the System* (Faber £14.95), a 500-page about the Hollywood studio system, comes out waving a sabre from the start. He writes that auteurism – in which personality cult is manifested as the exaggerated attribution of creative credit to the director – has "effectively stalled film history and criticism in a prolonged stage of adolescent romanticism." Schatz says we should stop drooling over directors as notional only-begetters and pay tribute, long overdue, to the midwifery efficiency of the Tinseltown structure as a whole.

Another way to fight personality is to focus on individual movies and their myriad participants beyond the director and star(s). Bloomsbury's new *Film Guide* series compiles A-Z monographs on single movies, including *Blue Velvet*, *Goldfinger* and *Apocalypse Now* (by the FT's Karl French). The BFI continues its Film Classics series, though adding its own celeb touch this year by losing Camille Paglia on *The Birds* (BFI, £7.95). Peter Cowie's *The Godfather Book* (Faber, £14.95) is also a handy trend-bucker, a history of a great movie endeavour showing how serendipity and creative polyphony are as much, or more, the essence of filmmaking as *One Man's Vision*.

Of course such books won't sell in the same numbers as the latest Bruce Willis blog or Monroe re-examination. Time alone may wean us off that VIP-mania; time and books that look at the perennial in movie-making rather than the picaresque or personality-based. Love it or hate it – and I do both – Robert McKee's *Story* (Methuen, £16.95) boldly skywrites its credo that good stories make good films and that a set of inviolable constituents make good stories. If you can stand McKee's diagrams and jargon ("inciting incidents", "principles of transition") you may learn a whole new way of looking at film.

Year of the big questions

Insecurity is the new reality in business, argues Stuart Cramer

These are curious times in the business book world. There has not been a real business blockbuster since Gary Hamel and C.K. Prahalad's *Competing for the Future* – published in 1994. Indeed, the big seller of recent years has been Scott Adams' *Dilbert* in his many manifestations. It seems that either business people have been weaned off the guru-inspired quick fix or there is a genuine dearth of good business books. Thankfully, the books published during 1998 suggest the former.

Among those marketed as the next great thing was *Blur* by Stan Davis and Christopher Meyer (Capstone, £18.95). *Blur* is definitely a book of our times. It eschews easy answers. Indeed, it eschews answers, arguing that this is the era of questions. Questioning is in vogue – Charles Handy has carved a lucrative niche as the working world's question master. Insecurity is the awkward new reality.

Not so long ago, a book like *Blur* would have been the equivalent of publishing suicide. When blind faith and certainty ruled, *Blur* would not even have been considered as a possible title – too weak, too suggestive of managerial confusion and impotence; too realistic. Reassuringly, for a book about the future, *Blur* is injected with a healthy supply of realism and honesty. And its central arguments are clearly put. Davis and Meyer argue that three forces – connectivity, speed, and intangibles – are blurring the rules and redefining our businesses and our lives. They are destroying solutions, such as mass production, segmented pricing, and standardised jobs, that worked for the relatively slow, unconnected industrial world.

Elsewhere, the vogue for big questions has led to a continuing flood of business-meets-spirituality books. These contend that success means getting in touch with your inner self as well as the bottom-line. To some this is flaky nonsense; others plainly thrive on mass therapy. Leading the way is Daniel Goleman, whose *Working with Emotional Intelligence* (Bloomsbury, £16.95) was a sequel to his bestselling *Emotional Intelligence*. Whether you buy into Goleman's ideas or not, his book is a rich source of insights into corporate life. It is thick with anecdotes.

Back in the real world is ABB: *The Dancing Giant* by Kevin Barham and Claudia Heimer (FT/Pitman, £21.95). This tells the story of Asea Brown Boveri (ABB), one of the most lauded and reported on companies of our time. Corporate stories can be long and dreary. A Swedish-Swiss engineering company is, undoubtedly, an unlikely source of enlighten-

ment, let alone entertainment. Barham and Heimer make it work. Given access to top ABB managers, including the redoubtable chairman and former chief executive, Percy Barnevik, they make sense of a highly complex organisation.

Perhaps the most engrossing section of ABB: *The Dancing Giant* is the story of the initial merger between Asea and Brown Boveri. Negotiations were conducted in utmost secrecy and with breathtaking speed. Corporate lawyers would be advised to skip this part. The announcement of the merger was one of the few genuine surprises in recent corporate history. "We had to be fast; there could be no leakage; we could not have lawyers around; we had to trust each other", Barnevik reflected.

The merger was announced on August 10, 1987. Then, Barnevik set about creating an entirely new organisation. The challenge set by Barnevik was to create – out of a group of 1,300 companies employing 210,000 people in 150 countries – a streamlined, entrepreneurial organisation with as few management layers as possible, write Barham and Heimer. And this, largely, is what Barnevik achieved during a decade of hyperactive, evangelical, itinerant leadership. The over-riding impression from ABB: *The Dancing Giant* is of a company managed by highly intelligent and sophisticated people in an intelligent and sophisticated way. Business literature (and corporate life) suggests that this does not happen very often.

Finally, John Wiley deserves congratulating for re-issuing two management classics. Peter Drucker's *Adventures of a Bystander* (John Wiley, £17.95) and Abraham Maslow's *Maslow on Management* (John Wiley, £16.50). The latter provides an accessible introduction to the work of human behaviour and motivation guru, Abraham Maslow (best known as the creator of the hierarchy of needs). Drucker's book gives insights into the remarkable life of the world's foremost management thinker. It is, in effect, a collection of autobiographical essays. Along the way, Drucker pulls in an array of characters – including Sigmund Freud, briefly encountered in Austria, Alfred P. Sloan of General Motors, and inventor Buckminster Fuller. As with all Drucker's work, *Adventures of a Bystander* is impressively eclectic, leaving most readers gasping for intellectual breath and questioning the comparative poverty of their own lives. It may well be best read in conjunction with Daniel Goleman's route-map to emotional well-being.

Only a few new flights of fancy

Conservatism has been the most striking thing about the state of fiction this year, reports Joan Smith

What happened to the novel in 1998? Has the election of a new government, committed to modernising every aspect of British life, had an impact on the country's fiction? Perhaps it is too soon for the effect to work through and there are half a dozen major talents quietly at work, getting ready to chronicle Tony Blair's Britain.

But the most striking thing about the state of fiction in the last 12 months is the conservatism of both

readers and editors. The bestseller lists have been dominated by established authors, a trend reflected by the presence on the Booker shortlist of three heavyweights – Beryl Bainbridge, Julian Barnes and Ian McEwan. Barnes's novel *England, England* (Jonathan Cape,

£15.99), about a theme park on the Isle of Wight, described trends already in place in the early 1990s. Bainbridge was the favourite for her Crimean adventure *Master Georgie* (Duckworth, £14.99) but lost to McEwan's *Amsterdam* (Jonathan Cape, £14.99), an award seen by many critics as long overdue – if made for the wrong book, as is often the case with this most prestigious of prizes. But it came in a year when life became harder than ever for first-time novelists, who need to pull off the trick of fitting an established formula and displaying originality if they are to find a publisher.

Those who do manage to get their work into print in these straitened times, like the bus driver Magnus Mills whose debut novel, *The Restrained of Beasts*, also made the Booker shortlist, are the target of frenzied speculation – in Mills' case, about a supposed film advance which existed only in a journalist's overactive imagination. The story of the advance that never was revealed the extent to which critical judgment has been overtaken by hype, with many more inches being devoted to Mills' finances and his



Understated and thought-provoking: Leslie Forbes (left) and Ruth Rendell; and Roman Bennett (right), shortlisted for the Whitbread



job than the quality of his novel. Even so, some of the best reviews of the year were reserved for a brilliant performance by the Irish writer Roman Bennett, whose third novel *The Catastrophist* (Headline, £14.95) is set in the Congo at the end of the 1950s. Bennett's unsettling account of the violent events surrounding the handover from foreign rule is both a commentary on the debilitating effect of colonialism and a love story which goes badly wrong. Erotic, fluent and intense, *The Catastrophist*

thoroughly deserved a place on the shortlist of the Whitbread novel prize after it was overlooked by the Booker judges. Where Bennett's novel invited comparisons between the colonial experience in Africa and Ireland, the German novelist Christa Wolf embarked on an ambitious and elliptical commentary on the treatment of immigrants in her re-working of an ancient Greek myth. In Wolf's novel *Medea* (Virago), set in Corinth, the Colchian princess and her retinue are ostracised after her lover, Jason, transfers

his affections to the king's daughter, leaving the little group of foreigners dangerously exposed. Wolf's premise, that Medea's evil reputation is the result of a lethal combination of misogyny and racism, is highly original and utterly convincing. In harsh contrast to the sunny landscapes of myth, she creates a city corrupted by murder and intrigue, in which Medea's intelligence and insight make her a threat to an unstable regime. A different but equally corrupt city is the setting for Leslie Forbes's gripping

novel, *Bombay Ice*. Forbes is a Canadian who established her reputation in this country as a thoughtful commentator on various aspects of food, and her fictional debut is unexpected: a gothic tale, set in the Indian film industry, which centres on the murder of a series of transvestite prostitutes. Thought-provoking, occasionally gruesome and always original, *Bombay Ice* deserves to be read by a wider audience than crime buffs – as, of course, does the constantly inventive and prolific Ruth Rendell. Rendell's continued

absence from the literary prize shortlists, especially in a year when she has published two exceptional novels, is further evidence of the conservatism which infects justice. The *Chicago Sheep's Boy* (Viking, £15.95) her latest book in the series written under the pseudonym Barbara Vine, opens with the death of a novelist, Gerald Candler, who never quite achieved what his career seemed to promise. When his daughter Sarah embarks on a memoir, she makes the disturbing discovery that none of the facts of his life can be verified – that her father, early on in life, assumed a new identity for reasons he never revealed.

This is a novel about a writer whose most compelling act of authorship is the invention of a new, and convincing self, executed with Vine's characteristic ability to maintain tension.

A *Sight for Sore Eyes* (Hutchinson, £16.95), published a few months later, is simply a *tour de force*, a chilling account of the effect of isolation and inattention on a gifted boy. In a genre which is increasingly notable for high body counts and buckets of gore, the bleakness of the book's conclusion lies in its recognition of subtler crimes than murder, demonstrating once again Rendell's status as one of our most talented – and consistently underrated – novelists.

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ARTS

Goya in a new light

William Packer on a well-chosen exhibition in Lille

Any exhibition of Goya is important, but especially so in France, where there has been nothing substantial for a generation. And small as the Lille exhibition is, with little over 50 works, loans have been called in from all over the world, from Malibu to Budapest. If certain obvious or familiar absences were either not available or not asked for, the compensation of the unfamiliar and utterly surprising is more than adequate. The vicious purple of the walls is the only surprise we could have done without.

The sub-title, in loose translation, suggests "a liberated vision", and here the intention is less to give a chronological account of life and work than to remark its range and particular preoccupations. So it is that in the first room, which does have much early work, the ravishing "Parasol" (1777) has been set in direct relation to the great decorative "Autumn" with its seductive grape-pickers (1787), both from the Prado, and with them Lille's own treasure, "The Young Women" reading a letter (after 1813). Each has its foreground group of figures against a free-standing schematic landscape; each makes great play with the flirtation of light and shade upon head and face - although the pretty harvester has her basket for shade rather than a real parasol.

So we come, in turn, upon early portraits; paintings upon religious subjects; the studio inventory of 1812; and, finally, some of the later portraits. Each room includes remarkable things. The first, for example, also holds such treats as the tiny, exquisite study of a lugubrious, life-size mannikin being tossed in a blanket by a group of girls (1791). And there, too, is the sun-drenched sketch of the communal picnic outside Madrid on the feast of St Isidro (1788). The religious paintings include a magisterial ideal portrait of St Gregory in papal finery, writing in a book upon his knees (after 1796). Among the early portraits is the earliest painting in the show, a self-portrait (after 1770), clearly the result of deep study of Rembrandt. And a charming curiosity is a most sensitive Goya-esque coby, the only one-Goya in the show, of his friend, the painter of the Venetians, Augustin Esteve. There she stands, crowned by her mane of black hair, in white dress with its scarlet sash, as magnificently plain and simple as a Greek caryatid.

The 1812 inventory, made some months after the death of his wife, Josefa, is the first mention we have of Goya's still-lives, which even now remain little-known and rather neglected. Of the 10 known, six are here, shown together along one wall, and so extraordinary as to be all but worth the trip. For Goya, as much as anyone, is the great link in painting between the masters of the 17th century and those of the 19th, through whom



Seductive early work: 'Autumn' (the grape-pickers), 1787, by Goya

we now trace the course of the Modern movement. If we see in him the true heir to the Venetians and the Baroque, we may no less reasonably detect the first hints at a truly Modern sensibility, as much in his practice as in his choice of subject. With Velasquez always at his shoulder, he reaches out directly to Delacroix, Courbet, Manet and Degas. And it is these few still-lives, with their immediacy of drawing and frankness in the statement, their unapologetic combination of extreme subtlety and bald simplicity, that seem to touch the later masters most directly, Manet most of all - the soft, pink, naked flesh of the fresh, plucked

turkey; the heap of fish with their blank, yellow, google eyes.

But in the end, it is his portraits that rivet the attention. They are uneven in their accomplishment - but then, Goya is commanding even in his awkwardness and failures, which is the mark and privilege of the great artist. Some are very old, some notoriously unflattering, or honest as some would say. The full-length Marchioness of Santiago (1805) is indeed a little alarming, with her pallid mask of a face, bright rose cheeks and staring eyes. But yet how wonderfully

assured and complete she is, the simple stance enlivened by her cocked wrist at her hip, and the fuller form of her figure articulated by the gentlest fall of her gossamer scarf about her skirts. The background, apparently a mere flurry of pink upon grey, resolves itself miraculously into a village beneath the mountain, masked by trees.

Goya is without doubt one of the great masters of the portrait. But, however beautiful or interesting his women, it is as a painter of men that he is all but unequalled. And yet it is not the great subjects, such as the handsome young Count of Fernan Nunez (1803), seen here in all his martial glory, that

sets him apart, so much as the more intimate portraits of friends and acquaintances, men of the world. The diplomat, Don Peres de Castro (before 1808) leans negligently on his arm to fix us with a calm and wistful gaze. Don Peres y Cuervo (1820), stands more boldly in his shirt sleeves, arms crossed. Each in his own way is a portrait of the utmost naturalism and ease, yet of the deepest psychological profundity. These are men of our own, our modern world.

Goya - un regard libre: Palais des Beaux-Arts, Lille, until March 14 (closed on Tuesdays), then to the Museum of Art, Philadelphia.

Television/Christopher Dunkley
Grey areas left unexplored

In the days of apartheid, when South Africa was governed by white right wing politicians, British television showed frequent programmes detailing the horrors and iniquities of life in that country. Those serving on juries dishing out prizes for television documentaries found that, often, the contenders included not just one but several brave programmes in which clandestine filming showed the awfulness of life in Soweto, or the appalling methods of the South African police. Occasionally, the FT television column inquired why British television took so little interest in police methods in African countries with black governments and stayed so quiet about the cruelties arising from other discriminatory systems, such as caste in India or party politics in Soviet Russia, but nobody in television responded, of course.

Then, in 1994, South Africa acquired a predominantly black government under Nelson Mandela, and British television's fascination with South Africa's social conditions vanished overnight. Optimistic viewers may have assumed that everything was now hunky dory and there was no reason to make any more agonised programmes. Sceptics guessed that matters were as bad, or worse, than ever and that the programme makers, who had been so keen to display their fine sensitivities to the viewers so long as the bogymen were white, had lost stomach for the cause once the colour of the governing class changed.

It was high time somebody took the cameras back to South Africa and tried to tell the truth about what is happening today. So three cheers for Paul Watson, the man who first came to our attention when he documented the lives of the Wilkins in Reading in his series *The Family* in 1974, and later made a horror series about an Australian family in *Sylvia Waters*. Tomorrow and on Monday Channel 4 screens his two programmes *White Lies* - a title which, on screen, starts out as "White Lies", only acquiring the "V" at the last moment. Presumably this tells us where Watson stands, but if so it is just about the last time he intrudes, more's the pity.

There are many interesting details in the programmes. Watson follows a journalist as she investigates the death in a plane crash of Samora Machel, president of Mozambique. He interviews a black man who says he participated in the hijacking of cars, and has killed people using a gun and ammunition which, he claims, was given to him by the police. The right wing extremist, Eugene Terre Blanche, appears for long enough to recite a few lines from "I wandered lonely as a cloud" to prove his love of English. And we hear from the members of an Afrikaner family named Mathee. The father destroys any of his racing pigeons which arrive late; the son lends money at 300 per cent interest; and the mother

says, "My husband would have a heart attack if my son said he was in love with a black or coloured girl".

The trouble is that Watson leaves us to guess which parts of this, if any, are typical, which are completely unrepresentative, and why he decided to include what he did and exclude everything else. Decades ago a programme on this subject would have been presented by somebody such as Malcolm Muggeridge or James Cameron and everyone would have known exactly how they felt about it. But the next generation of programme makers objected to having dilettante presenters grabbing the glory and getting between them and the viewer, so they made programmes with voice-over commentary and no presenter. Then came the Paul Watsons who objected that this "voice of god" technique was patronising and prescriptive; they wanted no presenter, no commentary, just the raw facts dropped in the viewer's lap.

The implication was that viewers could then make up their own minds, given a neutral presentation. But the truth is that editing is all. Why was that line about Mathee killing his pigeons selected? Does Watson realise that in pigeon lofts all over England birds are treated in precisely this way? Does that make English pigeon fanciers fascist beasts? Is loan sharking in Johannesburg somehow different from loan sharking in Glasgow? Can Watson imagine the reaction if he walked into one of thousands of Pakistani homes in Bradford and said that his nice white son wanted to marry one of their daughters?

Of course we don't know what Watson really thinks about any of this: perhaps he is being satirical or mischievous. Yet that errant "V" at the beginning suggests that this is the familiar modern nod-nod, wink-wink type of programme making. As such it seems more disreputable than either the Muggeridge or voice of god styles, since it pretends to a neutrality which is a complete fiction.

That sort of ethical sleight of hand is bad enough, but when programme makers refuse to intervene with information, you discover practical drawbacks which are even more irritating. Is Richard Kennedy the brother, son, or cousin of Vincent Kennedy? If there was a screen caption it passed me by. What happened over the Samora Machel investigation? Does Watson (who was present and had a chance to estimate the man's character) really believe that the black car-jacker was armed by the police? And what happened to the woman who got half way through a vivid account of being held up at gunpoint and pushed into a car, fearing she was about to be raped? When a programme maker's purist insistence on non-intervention results in this sort of tantalising omission something has surely gone seriously wrong with the journalism.

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Radio/Martin Hoyle

A triumph for elitism

Radio 3 may have abandoned full-length drama as a regular event but Radio 3 is still prepared to put its money where its reputation is, and win.

Troy was a considerable achievement both in scale and quality. A 90-minute play devoted to King Priam and his sons set the scene one Saturday night. Two further dramas of 90 minutes followed on Sunday, separated by Stravinsky's *Agonies*. Andrew Rissak's writing solved the problems inherent in dealing with gods, heroes and legends. The style was literate, without being archaic, clear and direct without grating anachronism; and capable of evoking mood, atmosphere and even - most dangerous territory of all - poetry. Above all, in his own reworked *Red Rissak* combines intense human stories with the feeling of a destiny inexorably working itself out.

All credit to Jeremy Mortimer's production, the hauntingly apt music of Nick Russell Pavier and David Chilton, and the voice of Mia Soteriou, who seems to be a fixture in poetic radio drama. All credit, too, to a marvellous cast including Paul Scofield, Toby Stephens, Michael Maloney and Julian Glover, though for once (hearing the tapes without having the cast to hand), one was aware of characters enacting the drama, not great actors enacting it.

Troy is one of those triumphs that belong to radio, that use and love the

medium. Elsewhere the sector service is increasingly used as a trailer for Radio 3's television programmes. Thus last Saturday's *From Our Own Correspondent* contained at least three items that were to be treated at greater length on the small screen, two of which turned up in that evening's *Correspondent* on BBC2. For all its masters' babble of increased choice, that magic word as potent for Labour as it was for Tories - the BBC is offering less choice than ever.

Still, the reports - on Burma, Indonesia and the American prison system - were all excellent, the Indonesian tendency to treat their mercantile Chinese population as the Third Reich treated Jews being particularly chilling. Fergal Keane waxed portentous about male rape in jail, though this is such a widely acknowledged evil in America, even the subject of tip jokes in off-com, that one can only assume prison authorities must have some sinister reason for not taking any noticeable action against it.

Last Sunday saw an

extraordinary occurrence on Radio 3, something which may mark a radical change in how the friable and fashionable (the government) regard high culture in this country. The word "elitist" was used in a positive way. It implied excellence, no more or less. The occasion was the *Middle Matters Public Forum*, the recording of a live discussion held in London's Barbican Centre on the alleged official dumbing down of the arts in Britain. Most sense came from John Tusa, the Barbican Arts Centre supremo and a former provider of *gratuitous* to the BBC. Alan Howarth, a government minister, sounded no more reliable on the arts than he had on politics (he was formerly a Conservative). Gillian Moore, pioneer in musical outreach for the young, made a more relevant point when she referred to "Changer" Robinson (as opposed to "Off-shore" Robinson) and his "distasteful, even contempt" for artists. As the gentleman concerned is in charge of the Arts Council, this is not a cheering prospect.

Since time immemorial the FT's Christopher Dunkley has been the unflappable

presenter of *Feedback*, a diplomatic yet trenchant voice between the public wrath and often arrogant executives who are not in the business to cater for those irrelevancies, mere listeners. He has now left, another blow for the invaluable programme, already shunted into less popular hours in the schedules. However, pleasant surprises include 4 at the Store in Radio 4's controversial early-evening comedy slot. The latest was actually funny, notably for a black comedian - identified on radio only because he joked about being black.

Another erratic band has been Radio 4's quizzes, sometimes inane, sometimes too specialised. *Full Orchestra* has proved a success, pitched at the moderately informed classical music lover, chaired by Tommy Pearson who is sufficiently bouncy and breezy to get the yowl vote, but who also sounds as if he knows what he is talking about (unlike the average arts programme presenter, say). He pits two orchestras against each other. Last week the band from Oslo knocked spots off the rather twee ladies from the Britten Sinfonia.

Two lingering memories of the week: Rupert Murdoch's assertion, quoted in *R4's A Better World*, that communications are the enemy of totalitarianism, then kicking the BBC off the news satellite to China. And Mo Mowlam, in Thursday's *Today* referring to Senator George Mitchell as George Michael. Even Homer nods.

Global Arts Guide

published within the Weekend FT on
Saturday January 9 1999.

As the Weekend FT's worldwide circulation continues its rapid growth, this Global arts Guide will provide our readers with a vital index of the major cultural events of 1999 around the world. The guide will include a broad range of themes from music and film to the visual arts and will contain preview features with listings and comment.

For advertising information please contact

Alice Croxford or Ruby Sharma

Tel: +44 171 873 4418

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FINANCIAL TIMES
No FT, no comment.

ARTS

Master builder comes in from the cold

Controversial architect Frank Gehry tells Alice Rawsthorn how the success of his Bilbao Guggenheim Museum has changed his life

Imagine being Frank Gehry. You spend your entire adult life as an architect, facing constant critical sniping. You win your first public commission at the age of 60, only for it to be put on ice for a decade. Then you design a new museum for the Guggenheim Foundation in Bilbao, which is hailed as a masterpiece.

"It feels strange," admits Gehry. "I'm so used to getting flak for my work, that the acceptance of Bilbao has been amazing. If it had happened when I was 40, I'd have been freaked, but I'll be 70 next February, and I'm old enough to take it. I figure that if Bilbao was the one shot of my life, and nothing else good comes out of it, I can always retire gracefully."

He has, of course, no intention of retiring. On the agenda at his Santa Monica office is the Experience Music Project under con-

struction in Seattle; a new building for the Massachusetts Institute of Technology, and a business school at Case Western University in Cleveland. Gehry has also accepted smaller projects, including an extension to his museum for Vitra, the Swiss furniture firm, an art gallery in Mississippi and an oncology centre in Scotland. And, next spring, construction will start on Gehry's first public commission, the Disney Concert Hall in downtown Los Angeles.

Without the critical acclaim for the Guggenheim, the Disney scheme would probably have remained mired in financial problems and administrative squabbles. "The fact of Bilbao made them get on with it," says Gehry. "It's strange because I never expected to win the competition for it. The power structure in Los Angeles had passed me over many times. They didn't like my work, and saw me only

as someone who worked in wire mesh, corrugated plastic and plywood."

Gehry now has the rare luxury of refining his original design. "They've asked for some changes, like adding an office complex and cladding it in metal, not stone, and I've made changes myself," he says. "I've had that model in my office for 10 years, and when you look at those things for long enough, you notice all the little kinks and you've got time to put them right."

Even though he seems to have won over the LA establishment, Gehry still feels alienated from it. "If you've spent your whole life as an outsider, you never feel any different," he says. Gehry was an outsider from the beginning of his career when, like Sir Norman Foster on the other side of the Atlantic, he became one of the handful of working-class kids to storm the architectural establishment, traditionally a gentlemanly preserve for those with private means. But Gehry's sometimes gruff, no-nonsense manner and love of the "wire mesh, corrugated plastic and plywood" which the LA powers-that-be abhorred made his journey longer and rockier than the urban Sir Norman's.

Gehry sees architecture as a vehicle for "finding a way of living in our time, and expressing it", and approaches it as a psychoanalytic exercise by using the design process as a means to explore popular culture and articulate his conclusions. The result is a series of buildings which are often as fractured and brutal as the society Gehry is analysing, notably the urban fortresses he has built as houses in LA, including his own home in an otherwise inconspicuous Santa Monica street, which appears to be defending itself against urban violence with protective shields of plywood and mesh.

The neighbours hate the



Given carte blanche to build an iconoclastic architectural landmark: Frank Gehry's masterpiece, the Guggenheim Museum, Bilbao

Ap Photo/Julian Baker

house although, as Gehry points out, its architectural armour looks no less eccentric than the suburban *divas* of boats, caravans crisscrossing walls and *fauz* Roman fountains outside their homes. And to Gehry's admirers, all his buildings have the same painterly sensibility as those of his hero, Le Corbusier. Despite their superficial eccentricities, they are as perfectly proportioned as beautiful pieces of sculpture, which is, after all, how he conceived them. For years, Gehry junkies have tracked down his buildings by trawling suburban LA, but he did not have the opportunity to appeal to a wider audience until he was given the chance to work on

a larger scale at the Guggenheim Museum in Bilbao. Thomas Krenn, the Guggenheim's director, and the Basque government gave Gehry *carte blanche* to create an iconoclastic architectural landmark - which, they hoped, would attract tourists to Bilbao, as the *grande projet* had done to Paris. The popular and critical response to the building has exceeded their wildest expectations with 1.5m people visiting it in the first year, very few of whom would have gone to Bilbao before it was built.

Gehry hopes that a new pet project will have the same effect on Panama, a country he knows well because his wife, Berta, is Panamanian. When he was

shown the plans for a new development by the Panama Canal to mark its handover from the US to Panama on December 31, 1999, "I just freaked out. It was really schlocky, the worst kind of postmodernist pastiche - not even second-rate architecture, even further down the line than that. I thought, if they go ahead this place is finished. And that would be a tragedy because Panama is a great country, with incredible natural resources and amazingly energetic people."

Gehry assembled a group of architects - including his old friends, Harry Cobb from IM Pei's practice in New York and Bob Tannen, a New Orleans structural engineer, and young talents,

such as Ben Van Berkel from Amsterdam and Lindy Roy from New York - whom he took to Panama City last week to introduce to local architects there. "I knew from my own experience in LA that when architects came in from the outside it upped the ante by raising the level of debate and made people work harder," he says. "If these kids can build 10 really decent projects, that capture international attention and get written about, it will make a difference to Panama."

The Panamanian government has given its blessing, not least because Gehry's scheme fits neatly with its own plan to position the country as an eco-tourist

destination, but so far Gehry has not been asked to design anything there. "I'm not saying no, definitely not," he says. "It's a great project that fits my mode of operating. I might do it. But I wouldn't be happy if it was a case of me doing something and everybody else getting nothing."

"Having" struggled for so long, Gehry genuinely seems to enjoy playing the 'patrician by collaborating with younger architects. Nor does he seem to have lost the urgency to push his own work forward. "Every job is still scary to me," he says. "I never know how I'm going to do it, or how it'll turn out. I've always been like that. I guess I'm a late bloomer."



Frank Gehry: 'I guess I'm a late bloomer'

Byron

Ballet in Paris

Opulence and bright flashes of bravura

Clement Crisp reviews 'La Bayadère' and the work of three women choreographers

Who would have thought that Ludwig Minkus (1826-1917), so often snidely dismissed as the last purveyor of musical yard-goods to the Imperial Ballet in Russia, would be the most performed composer in Paris as this year of grace ends? But so it is. The Opéra Ballet performs two ballets with Minkus scores in a grand - and concurrent - display of classic dancing. *La Bayadère* opened on Monday night at the Bastille for a run of 36 performances. Don Quixote enters the Garnier repertory on Christmas eve, and plays until mid-January. Both are in stagings by Rudolf

Nureyev replete with spectacle, a million steps, gleaming artistry and the bright flash of bravura - and well worth, for us on this end of the Eurostar, the trip. And dear old Minkus - no Verdi, but a sound theatrical craftsman - is, I hope, smiling all over Heaven.

La Bayadère was Nureyev's last production for the Opéra, very opulent in its architecture (it looks like a *monumental* wedding in Bombay), crammed with steps, and shown to us by the Opéra dancers on Monday night with an evident delight in its challenges. How they dance! The first cast (there are to be



Gleaming artistry: Elisabeth Plate as Gamzatti in Nureyev's production of 'La Bayadère'

six) was that of the premiere six years ago: Isabelle Guérin, exquisite in purity and emotion, as Nikiya; Elisabeth Plate, classical divinity no mask for the character's passions, as Gamzatti; Laurent Hilaire, noble in dance and vacillating in feeling, as Solor.

Guérin is both vulnerable and inviolate as the temple-dancer - this mad old spectacle is as serious about faithfulness as it is about classical dancing - and Plate and Hilaire are proof that clarity and grace of means can enhance dramatic force. The entire company is everywhere splendid. The *Djémé* dance, no easy number to bring off well, I have never seen better done. The blessed legion of the Shades was a marvel, pouring over the

Bastille's wonderful stage, and among the three excellent soloists a special word for Nathalie Aubin's feet, ravishingly used. (French training, as we see throughout the troupe, insists upon feet that are both beautiful and expressive).

As a note in passing, let me urge anyone seeing this ballet to purchase the programme book. It is admirably designed, filled with information and insights, elegantly presented. Honour where honour is due: the ballet programmes are edited by the Opéra's Josseline Le Bourhis, and they are to be treasured.

On the following evening, at the Palais Garnier, I caught the last showing of a bill by

three women choreographers: Martha Graham, Pina Bausch, Odile Duboc. A couple of years ago the Opéra acquired Graham's very late (1986: Graham was 92) *Temptations of the Moon*. It is, to be generous, a nonsense about lunar legends, and offers 20 dancers on the ramparts in what looks like a production of *Le Sacre du printemps* by your local gardening club. The chosen victim is, of course, Graham's reputation as a choreographer. The dim outlines are by Halston, Graham's dress-maker, and it might be charitable to suppose that he made the dances, too.

To precede it with Graham's early *Lamentation* does not help. It offers a girl a chance to have a hell of a time for three and a half minutes inside a steel-blue

jersey tube - she looks as if she's trying to undress for a bath without anyone suspecting - and what Graham did in the old days does not bear up well today.

Odile Duboc's *Rhapsody in blue* (Gershwin centenary celebrations are, I suspect, going to try our patience not a little) is an untidy example of dance having nothing to do with its score. (Duboc: a Mélisande to Gershwin's *Golpo*: their first exchange is "Ne me touches pas".)

There is complicated set which suggests that someone in the Opéra workshops is trying to build a space-station, and stupefying costumes which assume that black and white stripes cannot be over-used. They can. They are, in these vile outfits. The place has a lethargic air.

Gershwin's rhapsody was very well played by Christine Lagniel and a jazz orchestra under Guillaume Tourniaire.

Happily, Pina Bausch's *Rite of Spring* ends the programme. This is a masterpiece - of tribal drama as well as choreographic imagination - and it is performed with the most thrilling dedication by the Opéra dancers. Running, cowering, falling in the earth that covers the stage (it looks like John Innes No.2), they are transformed into primeval beings. No praise can be too high for the way in which they show how the dance possesses them, and certainly none can be too high for Aurélie Dupont as the Chosen One. Shaking with terror, racing from her fate, then accepting it, staring with unblinking

gaze at the drama, flailing herself to death, she is marvellous. (I had to remind myself that this was also the young ballerina whose debut in *Raymonda* spoke of such classic dignity last season.) This is an astonishing and heart-stirring interpretation from the whole ensemble.

THEATRE

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السلامة

How to Spend It

Buy me and pull one – it's a cracker!

The contents are co-ordinated with the depth of your pockets.
Lucia van der Post matches characters to creations

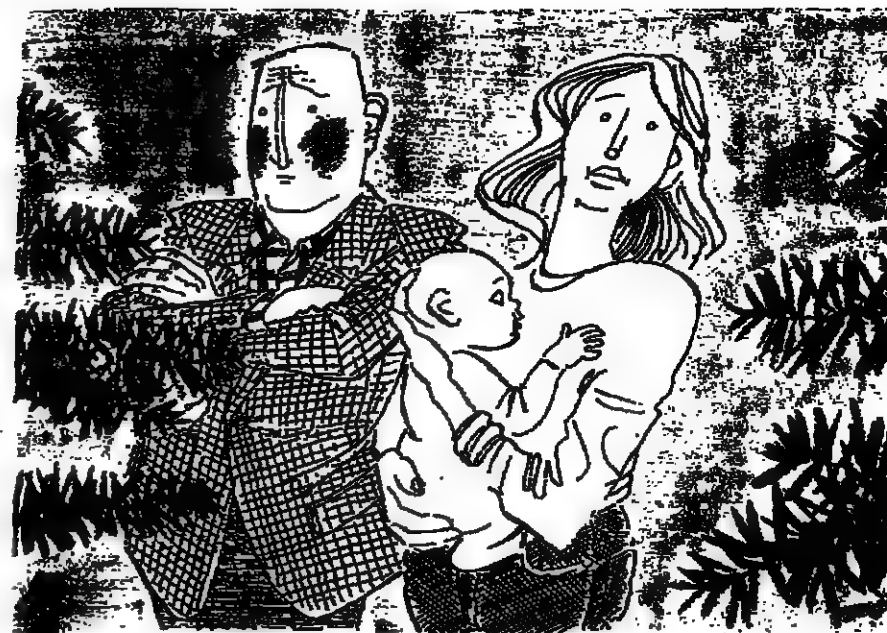
Crackers used to come strictly traditional, laden with the symbols that are an inextricable part of the dream of the Victorian family Christmas – all that bonhomie, that sumptuous excess, that dream world of perfect families and comfortable certainties. Crackers have long seemed to linger in that never-never land, refusing, as it were, to acknowledge that the

world has moved on. Attempts at modernity never seemed to work, centring as they did on trash colours and too blatant a disregard for their role on the Christmas table. This year, though, there are some sensationally good crackers around which manage to look fresh and new without abandoning their historical roots. There have been serious attempts to upgrade their contents – though, as with

everything, you get what you pay for and high quality contents require high quality purses. For those for whom the only real Christmas is the old-fashioned one, there are still plenty of crackers around to choose from – Harrods, Selfridges, Heal's and many other stores have vast selections and always offer some in traditional mode, while those from the Victoria & Albert Museum and the National Trust,

naturally, pay due homage to their origins. Here I have chosen to explore the contents of some of the best of the crackers around – I've matched them to each of my imaginary cast of characters, Charlie, Sue, Joshua, Venetia and Araminta from last week, as well as Colonel Mannerling from this week. In addition, there are two of the best of the rest.

Additional research by Neil Robert Wenman.



Loads of charm and music

Lucia van der Post completes her seasonal trawl for presents and solves archetypal problems

Colonel Mannerling lives in the sort of house townies drool over in the ads in Country Life. Of course, they can't see the dodgy central heating or the dire 1950s wallpaper. But then Colonel Mannerling grew up in the Manor and, apart from his years of absence during the war, he has scarcely lived anywhere else. He supposes everybody lives as he does.

He seldom comes up to London but these days he's rather lost interest. "My clothes will see me out," he mutters, to the distress of his grandchildren, who love him dearly.

What to give him for Christmas taxes their minds from the start of November onwards. He seems to have most things he wants. What he doesn't have he doesn't want. If the truth be told, he wants more of what he's got – some fine wine (if in doubt go to Berry Bros and Rudd – "can't beat 'em") but make it really fine since his digestion is beginning to trouble him. He's also very fond of whisky so a single malt – possibly a Tullibardine, aged 10 years, from Poetson & Clark (tel: 01206 397355) would go down well.

Routes and proper directions obsess him. Give him a MicroMap viewer – it will make him feel all modern and yet is extremely useful. The MicroMap consists of a tin viewer (£14.95) with a pack of cards (£9.95) – you slip a card (which is a map writ small, about 20 cities and the whole of the UK road system is on them) into the viewer and it magnifies it many times. Stocked by The Leading Edge and the Conran Shop.

Smythson's is the sort of company he really loves – quality allied to user-friendly products. He is punctilious letter-writer, so more of his engraved stationery might seem dull but would be seriously useful AND give him a great deal of pleasure. It does a splendidly plain black leather cigar-holder (holds two for just £28), which would cater for his after-dinner puff.

At family gatherings, after-dinner games and Scottish dancing are de rigueur – how else would the next generation learn to do The Dashing White Sergeant? The grandchildren might club together and buy him a truly beautiful chess set – David Linley's set of square and oblonged symmetrical pieces comes in a walnut box with a leather chequer-board (£2,250 from David Linley, 60 Pimlico Road, London SW1, tel: 0171-730 7300).

These days, much to the irritation of his long-suffering wife, the Colonel tends

to potter down to breakfast in his dressing-gown. Please her by giving him something that charms the eye, lifts the spirits and keeps him warm – a dark green cashmere robe with royal blue satin piping from Saks (£850, 18 Old Bond Street, London W1) or a navy version with a yellow polka dot (£1,800).

Give her a treat she couldn't manage for herself – buy her as many treatments as you can afford at something like the Aveda Concept Salon at Harvey Nichols (tel: 0171-201 8810). A revitalising facial would give her an introduction to skin care. A Custom Facial at £82 (restores balance, recovers and soothes the skin) would be a boon if young Samantha or Daniel has been particularly treacherous. For the full works, add on a manicure (£22) and a pedicure (£23).

High-waisted T-shirts – the better to show off the pierced belly-button – are much in demand, but she also tends to love things she has seen in Vogue. A little something by Dosa or Elspeth Gibson or Matthew Williamson would be very spoiling if the bonuses have come rolling in. She also loves bedroom items – scented candles, or the big multi-wicked square ones, an American quilt, the Ralph Lauren stars and stripes pillow (get it cheaper at the Bicester Village Ralph Lauren outlet shop).

Dinner for two at a top restaurant (The Pharmacy, for instance, is the Notting Hill nanny's saterie of choice).

Urban Outfitters is the shrine for nannies – here you can buy combat pants, cropped T-shirts, drawstring trousers made from sailcloth, which she will wear with platform tennis shoes. And music, loads of it. Just make sure it's cool and new.



CHARLIE THE BANKER

Charlie the banker and his wife are planning a family Christmas in the Wandsworth house – his brother, her sister, one set of parents and a clutch of nieces and nephews will make up the Christmas table. Even though he's feeling a bit apprehensive about City out-backs nothing cheap will do for Charlie, so this year, while he's got it, he's going to splash out on Harrods & Clarke's special handmade gold crackers. The contents are seriously desirable – little horn salt and mustard spoons, proper wearable ear-rings and other tiny objects chosen from among the objects usually on sale in the shop. Three male, three female.

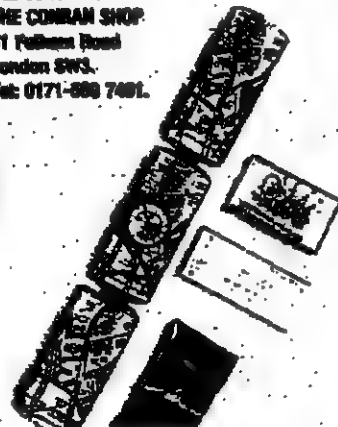
£150.00 for six
HARRODS & CLARKE
100 Bury Street
London SW1.
Tel: 0171-730 8813.



SUE THE SINGLE MUM

For Sue, the single mum, it is Tristram, her six-year-old son who matters most. Christmas looks a bit bleak this year as it is their first since Lionel, father of Tristram, abandoned ship. The Conran Shop's colourful crackers with graphics from 1930s posters of European cities and some ironically plain brown name tags tied on with string look justifiably modern. The contents (nail scissors, small scented candle, an egg-cup, napkin ring, small kaleidoscope, a wooden penholder, a pen-knife and a notebook/ring-ring) are grown-up enough to impress a six-year-old boy. They are refreshingly free of junky bits of plastic toys that fall to bits.

£22.95 for six
THE CONRAN SHOP
81 Fulham Road
London SW3.
Tel: 0171-898 7491.



JOSHUA

For Joshua – who spends his working life pondering the finer nuances of taste – how his table looks is a matter of the greatest import. He shudders at the very notion of theft and plastic mistletoe – unless, of course, it is used in a thoroughly ironic, post-modern kind of way. For Christmas he thinks he'll give it a miss, and go for crackers that speak of his taste, his sensitive aesthetics, his finely tuned perception of all that is currently à la mode. Jenny's Home Store's rigorously plain crackers in colours beautifully graduated from grey (so very fashionable) to deepest purple would complement his new square white plates – and, what's more, the contents (pencil sharpener, clip bag, mini car, notebook, padlock with keys, floating candle, car on a key-ring and pencils, plus the usual hats, scarves and mittens) are carefully colour co-ordinated, too.

£30.00 for six
JENNY'S HOME STORE
163 Fulham Road
London SW3.
Tel: 0171-501-8203.



ARAMINTA

Araminta is captivated by the serenity of the east, though she has yet to adopt its average annual income. Heal's has a box filled with Eastern promise that would add a touch of oriental spice to her calm and airy dining-room – in seri colours of fuchsia pink, orange and red edged with gold and embellished with cinnamon sticks, the crackers remind her of nothing so much as an Indian bazaar. The contents will greatly please her – three fruit teas, an assortment of herb seeds, soap, a mini hairbrush on a key-ring, wooden golf tees, a spiral egg-cup, a checked handkerchief.

£18.95 for six
HEAL'S
106 Tottenham Court Road
London W1.
Tel: 0171-636 1886.



AND... TWO INDULGENCES

For those fed-up with mini scissors, key-rings and the like, what could be nicer than champagne? Fortnum & Mason does a gold cracker which hides a quarter bottle of champagne for £15.50 each, as well as a motto, balloon and hat.

FORTNUM & MASON
161 Piccadilly, London W1.
Tel: 0171-734 8045.



For those who like their crackers bigger, costlier and more impressive than the rest, then those from Asprey & Garrard would take some beating. A box of six filled with pulchre sterling silver and 18-carat gold presents (six silver gilt coffee spoons, 18-carat yellow gold link cuff-links, 18-carat yellow gold mini photograph frame, 18-carat gold pen holder, 18-carat yellow and white gold link bracelet and 18-carat yellow gold money clip) all for £5,000. And just to show that they haven't lost their sense of fun, each cracker has a motto, balloon and hat.

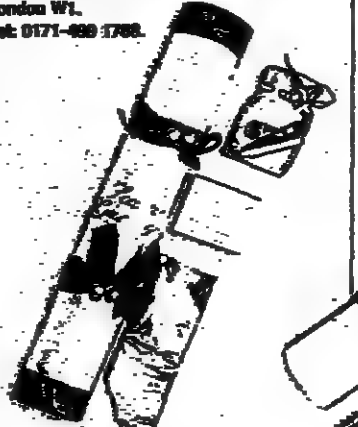
ASPREY & GARRARD
165-167 New Bond Street
London W1. Tel: 0171-483 6767.



COLONEL MANNERLING

For Colonel Mannerling, who loves the reassurance of things traditional, familiar and of a certain quality, nothing new-fangled or too peculiar will do. His table, after all, has been in the Mannerling family for years and his Art Deco crackers would become it admirably. Suitably regal, inescapably reminiscent of the senior service, in navy blue and silver, each cracker is made individually with a specially chosen antique silver present inside. Prices range from £23.50 to £77 depending on the present (choose from trinkets, spoons, cuff-links, scissors, etc).

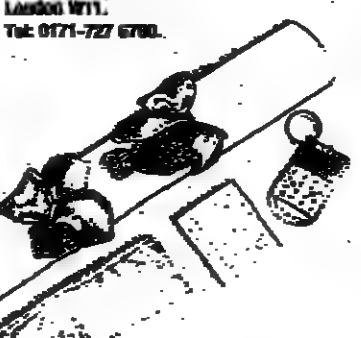
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VENETIA

Venetia, who thinks that looking good is a full-time profession, and for whom labels are all-important, has been a serious shopper at that Notting Hill shopper's shrine – The Cross. Nothing would please her more than to find on the Christmas table some crackers from The Cross – it combines originality (whoever knew they did them?) with the possibility of making a fashion statement. Pristine white, each cracker has ribbons of a different hue and is clearly labelled The Cross for all to see. The contents are the sort of jokey kitschy things Venetia's set will love. A tartan handkerchief, plover disc, pen-holder, mini-calculator on key-ring, fruits and flowers bath salts and – the booty prize – a whoopee cushion.

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HOW TO SPEND IT

Rows of roses and black ribbed plastic

For the style-conscious, it is imperative to keep up with floral art. Lucia van der Post offers tips

Now that even supermarkets are doing some nice things with flowers, the leaders of the floral pack have to move faster. And nobody moves faster than Stephen Woodhams.

He it is who did those much photographed pots and orchids, which are part of the defining image of The Hempel. Anouka Hempel's temple to minimalism. He it is, too, who organises the dramatic floral concoctions that are so much a part of the style of Gordon Campbell-Gray's hotel, Number One Aldwych. He was the first (after the flower-sellers in the markets of Milan) to introduce the galvanised buckets which now appear in so many shops and catalogues. He was one of the earliest to send simple hand-tied bunches of flowers.

So anyone wanting an update on floral trends could do worse than keep an eye on what's happening at Number One Aldwych. In a word, it is "architectural" -

big bold blooms, sometimes just one or two, organised dramatically in a strong container, or sometimes organised in two or three layers (say one big amaryllis with some red tulips below it as a collar and below that a single ring of blood-red roses) are what he's doing now. For small rooms, he uses square bases with rows of roses - he tries to play on squares and lines to keep it graphic.

Those in search of a fresh new floral look to their home can now buy the props to do just that from the small but eminently chic shop that Woodhams has opened beside Number One Aldwych in the Aldwych, London WC2.

There are the simple galvanised containers, the plain (and immensely stylish) bone-coloured ceramic pots used at The Hempel, and then there are simple glass pots familiar from many a modish interior. Woodhams also sells all the props - the pebbles, the plain round large stones, the bulbs and oblong see-through boxes of

wonderful freeze-dried rose heads (£27 per box, they'd make a terrific Christmas present). Almost everything he sells is designed to be as trouble-free as possible - the clear boxes of freeze-dried roses could be plonked just so on a coffee table; and he has devised sturdy square black ribbed plastic boxes in which he sells ready-organised arrangements which can be delivered and displayed exactly as they arrive.

Imitating the matchless chic of The Hempel has been made as simple as counting beans. A single slipper orchid (not as extravagant as it sounds, given that if properly cared for they can last up to three months), in a glass pot surrounded by lavender sells for £45.

Those in need of visual inspiration should buy Stephen Woodhams' book *Flower Power*, published by Quadrille, £20. It is filled with graphic illustrations of his skills, as well as helpful instructions on how to achieve the authentic look.



Main picture: a strict row of brilliantly coloured tulips in a plain rectangular container. Clockwise, from top left: a typically graphic container of tulips in muted colour combinations. Square metal vases, in various sizes, ranging in price from £23 to £43. Square ceramic pots priced from £23 to £23. The interior of Woodhams, the small chic florist next door to Number One Aldwych, London WC2. Finally, a collection of flowers in a black ribbed plastic box - packaging and container all in one.

Let's admit it: buying presents is hard. Giving someone you love a gift that surprises, indulges and speaks intimately to their inner yearnings is an art - and one at which most men are not particularly adept.

In the interests of the holiday spirit, of sharing and peace at home as well as on earth, here is a gift-getting guide to help the perplexed male. Simply match the loved one with a recipient profile, select a budget, and buy.

1. The Jet-Setter - who has more frequent flyer

An idiot-proof guide to gift-giving

Fashion pundit Vanessa Friedman shows perplexed males how to speak to their beloved's yearnings

miles than lipstick and can pack a garment bag in the time it takes most people to fold a sweater.

□ In the Stocking: Louis Vuitton's luscious red leather boxed set of seven country guides (£30). The latest on where to stay, eat, shop and sightsee in cities from Munich to Moscow (£20).

□ Under the Tree: Tania's

camel drawstring pashmina pants (£380), the best trousers around for curling up in (first) class.

□ Over the Top: Malo navy and cream cashmere blanket and pillow that slips into its own case, for sweet dreams in strange places. From Brown's.

2. The Professional - who reads balance sheets like they're blockbusters, and

brings the same sangfroid to the boardroom as the ballroom.

□ In the Stocking: Hermès leather mobile phone carrier (£135). Shows you are cool, calm and collected.

□ Under the Tree: Burberry's pinstriped tote bags (starting at £140). Dress up your documents.

□ Over the Top: Gucci's black wool coat-dress (£240)

with or without matching side-buckle, straight-leg pants (£290). City chic with a twist.

3. The New Mother - who goes from the sandbox to the sofa without batting an eyelid.

□ In the Stocking: Elsiebeth Gibson cashmere socks (£30), made for comfortable crawling.

□ Under the Tree: Bill Amberg sheepskin baby carrier, £210, because pre-school shouldn't mean pre-chic.

□ Over the Top: Jemima Khan's bias-cut empire-waisted, hand-embroidered dress (£285) in a rainbow of pastels; easy to move in, easy on the eyes, and utterly original.

4. The Earth Mother - who thinks organic (as used at Villandry) is a more attractive word than outfit, and mix-and-match is a way of life.

□ In the Stocking: Jean-Paul Gaultier's Peruvian knit, fake-fur trimmed bag (£69). The Andes never looked so good.

□ Under the Tree: Toast's Cashmere espadrilles (£79); luxurious comfort.

□ Over the Top: Marni's gold, magenta and white velvet patchwork dress (£755). Haute folk for a fairy tale princess.

5. The Athlete - who would rather play than watch, and doesn't ride if she can walk (unless it's a horse).

□ In the Stocking: Jo Gordon's long, two-tone striped wool scarf (£56). Dr Who seen through the fashion looking glass.

□ Under the Tree: Prada Sport "Spazzolotto" motorcycle boots - comfortable and chic enough to pound either the pasture or the pavement (£250).

□ Over the Top: Joseph's sheepskin shearling coat (£945); the latest thing in fur and ideal for ice-skating under the stars.

6. The Aesthete - for whom black is anything but basic and fashion is a matter of philosophy.

□ In the Stocking: Wolford's Stark Naked tights-and-skirt-in-one (£150). Clothes as conceptual object.

□ Under the Tree: Comme des Garçons button-down shirt (£80) in any pure shade from khaki to red; once and future perennial.

□ Over the Top: Angela Pinaldi's strand of chunky emerald-cut Amber beads (£1,100); wearable sculpture for the neck.

7. The Classicist - whose season lasts a century.

□ In the Stocking: Hermès orange key chain (£35). Brand-in-check.

□ Under the Tree: Calvin Klein Classic Edition sunglasses, inspired by designs from the 1930s and 1940s, and made in gold and platinum (from £200). The name says it all.

□ Over the Top: Jil Sander grey stretch cashmere skirt suit with single-breasted jacket (£1,285). Simply decade-defying.

8. The Neo-classicist - whose century starts with the millennium.

□ In the Stocking: Pickett's pashmina shawl-cum-scarf-cum-wrap (£195); the new cashmere.

□ Under the Tree: Yohji Yamamoto ultra-soft, rough-edged black leather "Kelly" bag (£215). No gold, no gawds.

□ Over the Top: Lucien Follat-Finet: 13-ply cashmere sweater (£794.40). Tradition taken to a futuristic degree.

9. The Party Girl - whose favourite time of day is late at night and whose favourite form of exercise is hefting champagne flutes.

□ In the Stocking: Anya Hindmarch pastel satin change purse (£45). Makes pennies pretty.

□ Under the Tree: Nokia 9510 mobile phone (£320). The smallest silvery speaker in existence.

□ Over the Top: Anna Molinari's pink wool cardigan with white mink collar (£250) and lace beaded skirt (£775). Who knew clothes could flirt?

10. The Art Girl - who

believes in colour and texture and her own sartorial rules.

□ In the Stocking: Marina B. "Climin" earrings, with interchangeable semi-precious beads; choose pink, blue, green, or yellow Russian quartz bangles according to mood (£270). Crayols for grown-ups.

□ Under the Tree: Olowu Golding python-skin mules with guinea-feather toe and calfskin lining (£290); twist-kle toes.

□ Over the Top: Clements Ribeiro's white cashmere poppy-print, sheepskin-trimmed coat (£1,716). Contemporary Bloomabury.

Two caveats: before buying clothes remember to discover her size (her present size: ignore garments you haven't seen in months) and always, always, save the receipt.

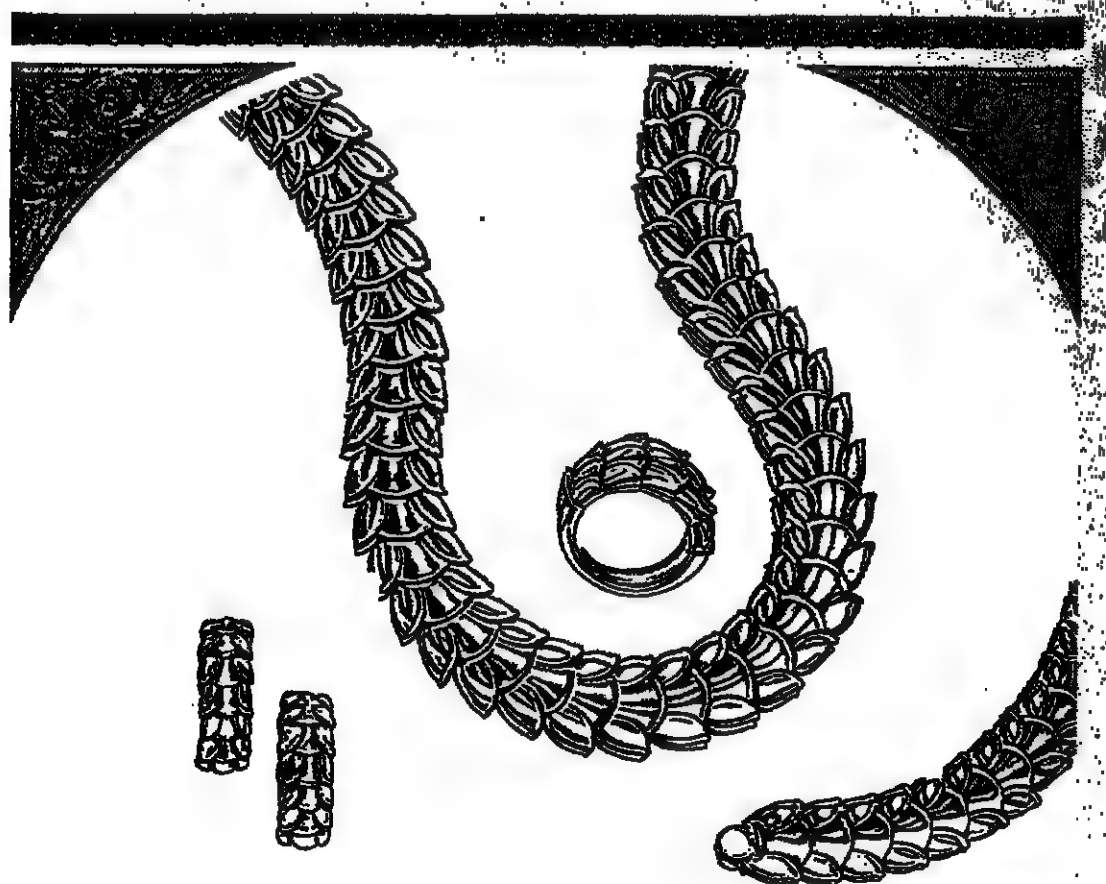
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10. The Art Girl - who

(0171-233 1014); Burberry's, 165 Regent St W1 (0171-734 4060); Gucci, 58 Old Bond St W1 (0171-629 2716); Jil Sander, at Brown's as before; Elsiebeth Gibson, 7 Port St SW1 (0171-255 0801); Prada, 44-46 Sloane St SW1 (0171-233 0008); Jemima Khan, at A La Mode, 35 Hans Crescent SW1 (0171-584 2133); Jean-Paul Gaultier, Galerie Gaultier, 171-173 Draycott Ave SW3 (0171-584 4648); Toast, at order (01553-668800); Marni, at A La Mode and Brown's; Jo Gordon, at Brown's Focus, 38-39 South Molton St W1 (0171-629 0866); Joseph, 77 Fulham Rd SW3 (0171-233 9500); Wolford (0171-936 9202); Comme des Garçons, 59 Brook St W1 (0171-493 1258); Angela Pinaldi, at Brown's; Calvin Klein, at Harrods, 87 Brompton Rd SW1 (0171-730 1254); Pickett's, 32-33 Burlington Arcade W1 (0171-493 8339); Yohji Yamamoto, 14-18 Conduit St W1 (0171-491 4129); Lucien Follat-Finet, at Brown's; Anya Hindmarch, 16-17 Port St SW1 (0171-338 9177); Nokia, 49-53 Regent St W1 (0171-437 4380); Anna Molinari, 11a Old Bond St W1 (0171-493 4372); Marina B, 114 New Bond St W1 (0171-495 1117); Olowu Golding, 30 Arleston Rd W2 (0171-229 7120); Clements Ribeiro, at Harrods and Brown's, or to order (0171-409 7718).



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HOW TO SPEND IT

Fashion

Beads leave black in the background

Embellishment used on traditional fabrics sets a new and exciting trend which is enormously versatile, writes Vanessa Friedman

You see them here, you see them there, you see them almost everywhere. You see them in the windows of Harvey Nichols and Liberty, at last week's Turner Prize and Titanic parties, at the opening of John Dugdale's photo exhibition at Hamilton's Gallery. No, not the hats of the Scarlet Pimpernel, but the LBD - the Little Beaded Dress. "B" doesn't just stand for black any more.

Indeed, these days the little beaded dress has almost replaced the little black dress as the stepping-out frock of choice. But I am not speaking of the all-over beaded extravaganza that cries: "Look at me, I'm a Christmas tree!"

Rather it is the more restrained, day-to-evening, beading-as-detail, beaded dress (the one where the delicacy of beads is often displayed against a tough, workman-like fabric such as wool or felt). "But what's the difference?" you shrug. "It's still a little dress." Sure, but in a world where an inch of hemline can fill almost as many columns as the euro, the move from black to beaded is news.

"Using embellishment on traditional fabrics is a new, and quite modern, approach," says Françoise Tessier, fashion buyer of Brown's. "It renders an outfit enormously versatile: the same dress can work for day and night, and thus it works well in most busy women's lives." Black, too, worked for day and night - but there the similarities end.

Black, after all, is dark, traditional, safe; beaded is bright, individual and relatively daring. Beaded calls attention to the wearer because it catches the light (even candlelight); black makes the wearer fade into the background. Beaded is pretty and creates a mood; it can be both fanciful and futuristic. In the semiology of fashion, the change in the meaning of LBD says something about attitudes.

But what exactly? There are differing takes on the trend. There is, for example, the millennial interpretation: we are bracing ourselves in for the all-out gales that will occur next winter, testing the waters of formal dress. There is the monetary view: as markets get dire, dresses get decorative (think Berlin in the 1930s). There is the Marxist outlook: old sar-

torial hierarchies have been smashed, and we no longer have to pay any attention to the rules. No white after Memorial day? Bah! No shine at work? Phooey!

However, it's a little less serious than that, as with most fashion. It has to do with enjoyment. Parties are fun, or at least they are supposed to be; so are beaded dresses. It's about time we started dressing accordingly.

And, heaven knows, there is a lot to choose from. Practically every collection in stores features at least one, if not many, beaded dresses, not to mention beaded separates: skirts, sweaters, vests, shoes. "There has been a real explosion this winter," observes Tessier, and as a result, there's a beaded item for every taste and type.

On the fun, flirty side, there's Matthew Williamson's "Kilim" dress, a sleeveless cappuccino-coloured chiffon slip covered in swirling shapes from scoop neck to asymmetric hem (£1,050). A favourite with the Jade Jagger/Kate Moss set, Williamson is one of the young designers responsible for launching the beaded movement (another is Elspeth Gibson, whose caviar-beaded skirt has become so ubiquitous, it's the glittering equivalent of the white shirt).

"Our beading is done by hand," Williamson says, "and it lends the garments a specialised, individual appeal, and speaks of craft and artistry. People fall in love with that. Combined with a lighter silhouette, it's very contemporary."

Also covetable from Williamson's collection is a white cashmere vest with a single beaded snowflake (£365), and a silvery-blue, silk-chiffon skirt dotted with smaller silver snowflakes (£490).

Then there's Clements Ribeiro's witty take on the Highland dress: a wool tartan shift embroidered at hem and neckline with sparkling green beads (£490). It's simple, smart and original, not to mention appropriate for Christmas. "A recurring theme of ours is to use couture touches, but in a modern, evolutionary way," says Inacio Ribeiro. "This season, that meant the delicate hand-work of beading married to a sturdy, almost tribal fabric."

"Beaded is really the opposite of the minimalism which was so prevalent in

the early 1990s, and which was very easy to imitate on a large industrial scale. Beading retains a certain aura of humanity, and allows a woman to express her personality. It asks you to be up, without being too precious about it."

A similar appeal can be found in Alberta Ferretti's loden felted wool dress with spare graphic green beading (£367): plain enough for day, sparkly enough for night. Ferretti also offers a very formal, romantic, spaghetti-strap-chiffon, all-over beaded slip (£2,213), and in the Phil-

Practically every store collection features at least one beaded dress

osophy line, a skirt and top (£223 and £146 respectively) with lines of diamanté beading under an organza overlay that lend subtle sparkle.

Just as subtle is Nicole Farhi's lovely silk slip dress (also available as a skirt) with a few diagonal lines of beaded criss-crossing on the front (£495), and Ghost's mauve viscose slip with slashings of sequins (£270). Throw a cashmere jumper or pashmina on top, and there's nowhere you can't go.

For purists, there's Hussein Chalayan's red jersey slip with a gyroscopic wave of gold beading twisting down the centre (£575), and Carudi Art's grey wool and cashmere dress with silver beaded "staples" along the seams (£970) - clothes which prove that beads can be the antithesis of ornate.

Meanwhile, Narciso Rodriguez's signature cashmere beaded knits epitomise the

present mood of understated luxury. At the extremes, brave souls who want to plunge fully into the beaded pool can do no better than John Galiano and Giorgio Armani, the uncontested masters of the form.

On the other hand, the more timid - those who still have their suspicions about splashing out on the beaded moment - can always choose the high street alternative: see Monsoon's beaded silk georgette slip (£150) and French Connection's liquid "mermaid" beaded black dress (£90). Indeed, when a style hits the high street, you know it's been fully amalgamated into the style universe.

And according to retailers, the trend towards embellishment is no flash in the pan. "There is no doubt in my mind this movement will continue into next year," says Tessier, and she is seconded by the powers that be at Liberty and Harvey Nichols. One note of caution, however: department store buyers also predict that, as the fashion wheel spins, embellishment may soon mean embroidery.

Matthew Williamson at Brown's, 29-27 South Molton St W1 (0171-491-7833), A La Mode, 35 Hans Crescent SW1 (0171-584 3133); Clements Ribeiro at Koh Samui, 65 Monmouth St WC2 (0171-940 4260); Brown's and A La Mode, as before; Nicole Farhi, 158 New Bond St W1 (0171-499 5568); Ghost, 14 Ende St W1 (0171-498 0239); Alberta Ferretti, 205-206 Sloane St SW1 (0171-225 2949); Hussein Chalayan at Brown's, as before; Carudi, 106 New Bond St W1 (0171-495 6890); Narciso Rodriguez at Harvey Nichols, 105-125 Knightsbridge SW1 (0171-225 5000); Monsoon, 264 Oxford St W1 (Inquiries: 0171-313 3000); French Connection, 249 Regent St W1 (0171-630 2507).



Left: long red silk dress with diagonal beading, £495, by Nicole Farhi. Above, clockwise from left: green felted wool dress with green beading, £367, by Alberta Ferretti. Cappuccino-coloured beaded slip with asymmetric hem, £1,050, by Matthew Williamson. Red jersey slip with central gold beading, £575, by Hussein Chalayan. Tartan wool shift with beaded neckline and hem, £490, by Clements Ribeiro. Illustrations: Margaret Keedy

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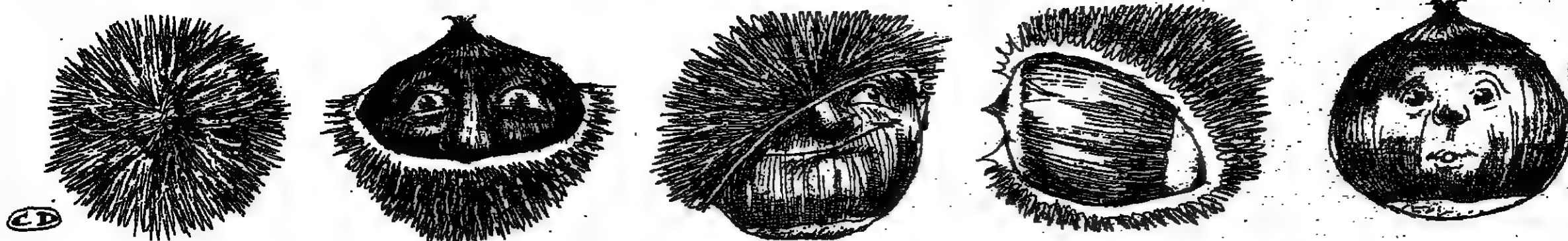
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FOOD AND DRINK



Cookery

Hard nut is inconvenient but worth cracking

In a two-part series on chestnuts, Philippa Davenport looks first at harvesting and selling them in France

If you make a pork and chestnut stuffing, braise chestnuts with shallots, or sauté chestnuts to serve with Brussels sprouts this Christmas, it may be, it just may be, that you will use nuts harvested by my own fair hands.

The chestnut is one of the world's most inconvenient foods, the fruit being imprisoned within two glove-tight skins (one pithy bitter, the other a shiny brown casing) overwrapped by a green hedgehog husk: triple-layered protective clothing the nut is reluctant to relinquish except for propagation.

No wonder squirrels concentrate on hazels, beechmast and walnuts. No wonder only the most persistently greedy cooks bother to try to break into them.

Nothing can equal the texture and taste of fine, fresh, hot roasted chestnuts with their distinctive and intense savoury smell, rich meaty bite and toffee-coloured singes splattering the creamy kernels. But preparing them is seen as a labour of love that few are now willing to undertake.

Increasingly, cooks today buy ready-prepared chestnuts, and the brand that is moving up the UK popularity charts at a rate of knots is Ponthier, imported from France under the Merchant Gourmet label.

Monsieur Andre Ponthier, his wife, son and daughter-in-law are committed to consistent high quality. They insist on perfectly fresh, wholesome nuts of a certain size. They say that the small ones are acceptable for industrial jams; very large ones tend to lack much flavour.

They buy carefully and check and recheck the product at every stage of washing, roasting, peeling and vacuum-packing to eliminate the risk of discoloured, tainted, poorly textured, broken, discoloured, deeply creviced, badly peeled or otherwise sub-standard nuts going into the marketplace in their name.

Their chestnuts come from the aptly named Châtignierie, or chestnut grove region, which straddles the Auvergne, Lot and Corrèze, an area of singular beauty (and poverty until the mid-1960s). About 100 years ago, the chestnut tree was known in the Auvergne as the tree of life, its fruit the main food of the people and their animals for six months of the year.

Potatoes were saved until the chestnut crop was finished; the tubers might be sprouting by then but they were eaten nonetheless.

Chestnuts were dried and ground as flour, or eaten straight from the store, peeled at night to serve next day, cooked in milk for breakfast, and again at mid-

day, with bread and cheese or vegetables for supper, as I learned from a beautifully written, charming and richly informative portrait of a small community, *Mourjou, the Life and Food of an Auvergne Village* by Peter Graham, published this summer by Viking.

This year has been a good one for chestnuts. The flowers flourished and the fruit set well, untroubled by frosts. July and August were suitably hot, with plenty of rain at the end of August to swell the meat. A final burst of ripening heat during the vital last 10-15 days before harvest ensured good calibre and quality.

Some varieties are ready earlier than others of course, but the harvesting season peaks between mid-October and mid-November. Husks beginning to gape on the tree signal readiness. Chestnuts are never picked from the tree

'I ask why he cuts sample nuts instead of biting them. He replies that raw chestnuts are not false-teeth-friendly'

but they must be gathered from the ground soon after falling to avoid mould or insect attack. Freshness is all. A good price depends on it.

Lybie Cal Me Fane and her husband took me to the tiny grove on their smallholding at Laurence to witness their daily scouring beneath the 200-year-old burley-sugar-twisted trees. Growers with capital and groves in excess of 125 acres (5 hectares) may string hammock-like nets between their trees or nozzle the crop from the ground with vacuum machines.

The Cal Me Fanes work their patch the traditional way, bent double, carrying shallow baskets. If leaf-fall is heavy, they feel their way with water-diviner-like rakes; wooden tongues may be employed as pincers. Madame's only props are clogs worn over her slippers and rubber glove off-cuts placed over forefingers and thumbs as prickly-protectors.

She paces the grasses like a mine-sweeper, swooping on every plump nut in her path, leaving spent husks and sub-standard runts in her wake. My own efforts are backbreakingly slow; my yield is puny and ill-assorted.

The Cal Me Fanes sell their crop direct to Ponthier, whose

agent calls with a lorry every two days to examine, price and pick up the latest offerings. One of their terms also serves as a collection point for chestnuts gathered by other growers in the vicinity. In it 100 or so bulging sacks stand to attention, open necked and ready for inspection, a pencilled note tucked into each giving the weight of the contents and the grower's name.

While I admire the potager, hutches of fat rabbits, wire-netted maize ladders, and slatted racks tilted like umbrellas curing walnuts in the autumn sun, a blue-beretted septuagenarian arrives in a Citroën 2CV and unloads the sacks of chestnuts he and his wife have gathered that day, 187 kilos according to the scales. Madame writes out tickets accordingly and tucks them into the sacks. A duplicate record is noted in an exercise book, with blank spaces left for inserting Ponthier's price and date of payment.

The bulk of trading takes place in market towns where rival processors, packagers and greengrocery wholesalers vie to buy from individual growers and collectors. Business begins at 6am in Maurs every Thursday and Sunday throughout the harvesting season when the big buyers' lorries roll into the square where chestnut vendors are ranged to the left, walnut sellers to the right.

It is the strangest auction I have ever attended. Dealings are swift. Barely a word is exchanged.

A gesture invites a potential buyer to view goods for sale. Ponthier's agent Michel Delpech, nicknamed Le Tueur and proud of it, shines his torch into the first sack of the car nearest his lorry, dips deep, rifles a few chestnuts through his fingers and bites into a couple to examine the interiors. He scrawls a figure on a piece of paper and hands it to the vendor - this is the price he will pay per kilo if the quality of all the produce matches the samples taken. The vendor nods agreement and Le Tueur moves on.

The second vendor snarls disapproval, retuning the (lower) price he is offered. "He hopes to be offered more by another buyer," Le Tueur explains, "but more is unlikely. The quality is not as good as he makes out. I have noted his reaction. I will come back later and offer him a lower price still." I am glad I have nothing to sell.

Le Tueur's father is less brusque. He may even spare time for a word of chat. I ask why he cuts sample nuts with a knife instead of biting into them - "sometimes he cuts us up too," interjects a vendor cheerfully. He



Those were the days, 1936, when civil war broke out in Spain. Hitler admitted building aircraft carriers - and hot chestnuts cost a penny a bag

Chestnuts chez moi

Fresh chestnuts roasted at home remain the greatest treat - and they are not unduly hard work if everyone peels their own. The easiest way to roast them is on top of the stove in a heavy iron pan. (I use an old frying pan that has become a little too warped to fry foods to perfection.)

Choose the nuts carefully and make a slit in the shell of each to prevent explosions. Put a batch into the pan and cook slowly and patiently over moderate heat, turning from time to time until the sherry coats turn dull and dry all over and begin to curl and shrink from the kernels, pulling the bitter brown pith with them. When the nuts are blackened here and there and the hot roast nut smell becomes so unbearably delicious that you feel sure they must be done, tip them into a basket. Give everyone thick napkins and let them tuck in while the next batch cooks.

I recommend dabbled peeled chestnuts with knobs of best butter and a mini-scrunch of Maldon salt. Wine, good bread, pleasant talk, a green salad, cheese and a bowl of clementines will complete the kitchen table picnic.

smiles and replies that raw chestnuts are not false-teeth-friendly.

Later, I am hoisted up into the Ponthier tunnel lorry. Vendors who have accepted the base price scrawled on their bits of paper queue alongside the lorry with their sacks. Apart from what looks like a female wrestler in her 30s, all the vendors are men, none under 50, many over 70.

"Chestnutting is too much hard work for today's young," they tell me. Holding their paper promises between their teeth, they leave their sacks on to the scales in turn. The contents are poured out slowly. Le Tueur watches like a hawk, fingering the chestnut stream as it rains down. The other sacks follow and, providing the standard is as expected, the vendor will get the agreed price.

Sometimes a half-poured sack is pushed aside. Le Tueur strides

Madame Ponthier's chestnuts

When I asked Madame Ponthier how she serves her own vacuum-packed roast chestnuts, she said: "I just heat them through thoroughly in a bain-marie or microwave oven."

"I add no butter or other finishing touches; I serve them simply as they are, in tandem with deep-fried slices of cap mushrooms, ideal accompaniments for game." I dare say they would prove much appreciated partners for roast turkey, too.

to the mouth of the lorry and me. Occasionally, very occasionally I suspect, *pour encourager les autres*, he announces to the crowd that someone's chestnuts are higher quality than anticipated. They warrant a higher price than predicted and the paper promise is adjusted upwards accordingly.

A small table in a nearby bar-restaurant is commandeered as pay-desk. Transactions agreed, the vendors repair there to exchange their pieces of paper for cheques. Some stay to breakfast, then they go home to do the milking. I am whisked off to the chestnut fair at Mourjou, a lively village autumn jamboree. Chestnut heaven. *Il faut le détour.*

When really furious he has been known to empty sacks into the street. "You have to be hard to keep up standards," he tells

me. Occasionally, very occasionally I suspect, *pour encourager les autres*, he announces to the crowd that someone's chestnuts are higher quality than anticipated. They warrant a higher price than predicted and the paper promise is adjusted upwards accordingly.

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NEXT WEEK: marrons glacés and other sweet chestnut treats

Getting blind drunk is just an expression. Isn't it? As the

Christmas party season gets into full swing it is worth bearing in mind that this year's chic sensation is a drink that was banned on the widely believed grounds that blindness was a common side-effect.

Absinthe is a mythological demon among drinks, the spirit of the apocalypse; its chief ingredient shares its name with the star that falls from heaven at the day of judgment: wormwood.

The very word "absinthe" conjures up the world of *fin de siècle* Paris peopled by a Bohemian rhapsody of louche debauchés: Baudelaire was a fan, Verlaine made the under-age Rimbaud tight on it, Van Gogh drank it - and may have cut off his ear under the influence.

It is said to cause hallucinations, madness,

The spirit of Christmas past

...or the tale of how absinthe makes the heart grow fonder. By Peter Millar

even, potentially, suicide. The one thing it does not do - at least not any more than any other concentrated alcoholic drink - is directly damage your optic nerve.

Absinthe is making a comeback. Britain, so obsessively restrictive on its citizens in so many other respects, curiously never got around to making absinthe illegal. Given that almost everyone else did, it hardly mattered.

The people responsible for the new craze are the real Bohemians: the citizens of the Czech Republic who tossed away the ban on making absinthe with the other restrictive regulations of

the communism era.

Absinthe's origins go back to the Middle Ages when monks used wormwood to cure kidney stones. One of the key constituents of wormwood is a chemical known as thujone, which, in large doses, causes renal failure and is reputed to be poisonous to the brain. There are those who firmly believe that a little poison is good for us.

The drink that became *le rigueur* in fashionable Paris at the turn of the century was first concocted around the time of the French revolution, allegedly by one Dr Pierre Ordinaire (whose name sounds suspiciously apocryphal). It was in 1797 that it was taken up by a

man whose own name would be made much more famous by the drink: Henri-Louis Pernod.

Pernod set up the first commercial distillery producing the liqueur that Doris Lankier, author of *Absinthe: The Cocaine of the 19th Century*, describes as a "bitter potent drink with... the leaves of the plant wormwood with plants such as angelica root, fenel, coriander, hyssop and marjoram and anise for flavour".

The one thing that no one has ever accused absinthe of is being "nice". Coloured by the plant-derived chlorophyll it contained, absinthe was known as *la fée verte*, the green fairy, or "the green goddess" in a poem of praise penned by Aleister

Crowley, poet and experimenter with sex and drugs in the early part of this century.

Part of black magic was being initiated into the absinthe ritual. Yes, there are cocktails - Toulouse-Lautrec famously mixed it with cognac and called the result a *trémblement de terre* (did the earth move for you?) - but nothing approaches the original.

The first essential, heroin addicts will note with a wry grimace, is a spoon. Not just any spoon but one *cuillère perçée*, a teaspoon-sized equivalent of the thing you use to serve vegetables, but such was its position in the cult that the finest silver was worked into filigree patterns.

It held a sugar lump, an essential antidote to the bitterness, which was dissolved into the drink by droplets of water, often from elaborate dispensers. In New Orleans, where the fashion spread rapidly from France, the Old Absinthe House still displays a splendid spigot. The water turned the drink a creamy yellow, like modern Pernod, although following the French ban in 1914, the modern spirit shares only the unadorned with the notorious original.

Ernest Hemingway described the effects in terms familiar to any junkie: "One cap of it took the place of the evening papers, of all the old evenings in cafés, of all chestnut trees that would be in bloom now this month."

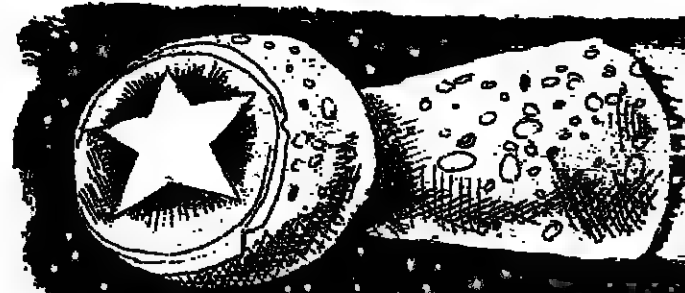
Oscar Wilde, another absinthe enthusiast, said: "The first stage is like ordinary drinking, the second when you begin to see monstrous and cruel things, but if you can persevere you will enter in upon the third stage where you see things that you want to see, wonderful curious things."

Picasso adored it - which may explain a few things - but absinthe's sinister elitist reputation is modern. At the time, it was the great leveler of Parisian life. Popularised by the troops returning from the first Algerian war, it was, literally, the opium of the masses. The arcane absinthe ritual was as familiar to the French as making a cuppa was to the English. Absinthe, not coffee, was the key to café society.

But do not tell that to the cocktail clique. "Common" sense is the least fashionable of all. Now, what's your poison?

2000

FOOD AND DRINK



This week the best bottles of anything from Britain's independent wine merchants - except still red wines which I surveyed last week. Order straight away to stand a chance of delivery by Christmas.

Next week I will pick some last-minute bargains from the chains and supermarkets.

Again, wines with a * are especially recommended.

House wines

(See also next week's guide.)

Soave 1997 Fasoli Gino £5.25 VR. Lively, apple-scented wine with real fruity core (no pipe) and lots of life and grip. Organic.

Ch Tour des Gendres 1996 Bergerac £5.75 BBR, L&S, 1997 £5.49 GWW. Gentle, mouthfilling, slightly honeyed white reminiscent of lime marmalade. Streets ahead of most white Bordeaux at the same price.

Schaezel Alsace wines from GWW £4.99 - £5.99.

Aperitif/party wines

Lofthouse Sauvignon Blanc 1998 Marlborough £8.95 C&B. Sleek New Zealand without a hint of aggressive asparagus or excess of grassiness made by Rod and Di Lofthouse from England.

Domaine de l'Aigle Tradition £7.99 C Piper. Painstakingly-made answer to champagne (including first fermentation in oak) from the foothills of the Pyrenees. Artisanal, very slightly rustic but bone dry and chock full of sincerity. Would make a thoroughly superior Buck's Fizz.

Lirac Cuvee de la Reine des Bois 1997 Dom de la Mordore £9.95 L&S. What a thrill to see the southern Rhône producing nervy, exciting whites at last. This blend of Marsanne, Viognier and Grenache Blanc smells of pears and quince and is both refreshing and interesting.

Veuve Delaroy £9.99 B&B. For snobs: I have tasted worse champagnes, but I would rather drink a second glass of Green Fizz 1996 Australian £21.50 (widely available at about £11.50).

Layons (London NW1) 0171-395 4087 (and SW1) and Tanners Reserve own label champagnes are easy on the palate and currently cost £11.95 and £18.95 respectively.

Delamotte NV £14.95 C&B. Extremely acceptable champagne at the price, made by a house owned by Laurent Perrier.

Special fizz - tipples for Christmas morn

Many deals are available from the chains and supermarkets but Townsend of Hull (01482-58552) is taking a stand against the fierce mark-ups levied on big name champagnes. Orders must be for at least 12 bottles of champagne (which may be mixed) and delivery outside their area is £3.25 a case, but Townsend's non-vintage bargains include Pommery £13.85, Pol Roger £14.25, Veuve Clicquot £18.79 and Bollinger £18.59. The following are some independent specialities.

Duval-Leroy Fleur de Champagne 1990 £18.75 Rodney Denson of Nantwich 01270 629898, Stephenson of Nelson 01292-698827. Dense and appetising.

Billecart Salmon Brut £19.49 Savage. A special all-Chardonnay cuvee blended for this excellent house's first British importer, one of the country's most fastidious palates. For now or later.

Delamotte Blanc de Blancs 1990 C&B, £21.55 Grand cru fruit fashioned into a gentle, almost soft, delightfully approachable vintage champagne.

Vilmart Grand Celler NV £21.90 Gauntneys. Best-value wine from this insider's favourite: a very deep-flavoured, Chardonnay-dominated wine.

Dom Pérignon 1990. Widely available at £50 to £60. Gold plated luxury, a particularly successful vintage.

For those who drop in unexpectedly

Any fine German wine, of which J&B has a particularly fine selection.

Anjou, Haut de la Garde 1997 Ch. Pierre Bise £7.75 L&S. Mercurious, open, charming white of



Wines / Jancis Robinson

Sherry? White wine? Bubbly? Port? Take your pick

15 per cent alcohol which, some tasters will reject simply because the piercing acidity is counterbalanced by the sweetness of seriously ripe Chénin Blanc. Now or later.

Brauneberger Juffer-Sonnenuhr Riesling Kabinett 1996 Fritz Haag £9.94 L&W. Sorry about the name; the wine is much easier to assimilate. Crystal clear and only 8 per cent alcohol. Ideal for bracing mid-afternoon sipping, or stash it away in the cellar for five or 10 years...

Zeltinger Sonnenuhr Riesling Spätlese 1996 about £13 M&V. Fortnum & Mason, Selfridges, Butlers of Brighton. Nutty, smoky, full, soft and delicious - but not with food.

More palate sharpeners

Sherry is perfect and most is seriously underpriced. Virtually any sherry from Lustau is worth trying.

La Gittana Manzanilla £2.04 (half L&W, £3.25 Tanners, £3.45 Adnams, £3.50 B&B. The quintessential aperitif. Sherry at its tangiest.

Jerez Cortado Hidalgo £9 Tanners, £9.55 Adnams. Beautifully soft, aged, dry sherry. Great aperitif. Good with hot soup and cold meat, too.

For casual entertaining

Pinot Bianco 1997 Drus £7.77 ABA. Elderflower-scented, racy Friuli wine that would be an excellent substitute for Sancerre.

*Monte Alto Soave Classico 1997 Ca Rugate £7.59. V&C. What a shock for anyone expecting regular Soave. This full-bodied, perfectly composed, confident wine, was fermented in new oak and is still quite oaky, but the oak is more than compensated for by luscious fruit and floral, lime-like

scent. An eloquent argument for spending that little bit more.

*Albariño, Lagar de Cervera 1997 Rias Baixas £8.30 L&W. Fine, nervy, Galician, great with food; one of the best, and best distributed 1997s, although disappointing Albariños are difficult to find.

Mudhouse Sauvignon Blanc, Marlborough 1998 £8.45 ABA. Zippy, green and reviving New Zealand.

*Gewurztraminer 1996 Bruno Sorg £8.50 BBR. Excellent depth in a full, aromatic Alsace wine with hints of smoked bacon and gingerbread; not one of the many vapid, air-freshener models. Great with smoked fish.

Mâcon Villages, Tête de Cuvée 1996 Vergat £8.53 L&W, £9.99 Uncorked. One of the more approachable 1996 offerings from Mâcon, like a cross between Mâcon and Chablis, and with a much longer future ahead of it. Good value.

*Mâcon Clessé Quintaine 1997 Guillemot-Michel £9.50. Open, luxuriant, welcoming white burgundy with some depth, too.

Terre Rosse Pinot Grigio 1996 Valladaia £9.80 Wine Treasury. More like an Alsace Pinot Gris than the Italian Pinot Grigio norm: full and dramatic.

Givry Clos des Vignes Rondes 1996 François Luppé £10.95 L&S. Sleek, almost lean, but perfectly pure, lemony and 1996. Would keep well.

Grand entertaining

The racy, age-worthy 1996 white burgundies currently on sale should age beautifully in bottle.

The 1997s are much more flattering to drink now.

*Prieur Pinot Blanc 1997 £8.25 P&S. Taut, very youthful, dry Austrian variation on a common Alsace theme. Almost like a top Friuli white.

Urziger Würzgarten Riesling

Key to the wine cellar

ABA Adam Benicoff Associates, London SW8 0171-753 1908
of Southwold 01502-727222

Adnams Berry Bros & Rudd, London SW1 0171-395 9800 and Eastenders

BBB Bibendum Wines, London NW1 0171-722 5577

C&B Corney & Barrow, London EC1 0171-281 4091 and W11 plus regional outposts

E Pope Eldridge Pope, Dorchester 01205-258348 with Wine Libraries in London EC3 and SW1 and Exeter

Gauntneys of Nottingham 0115-9110557

GWW Great Western Wine, Bath 01225-322800

J&B Justerini & Brooks, London SW1 0171-493 8721 and Edinburgh 0131-317 8300

L&S Lay & Sandeman of London SW10 0171-376 4767, W8 and SW13

L&W Lay & Wheeler of Colchester 01206-764448

P&S Philpotts and Swiggott of London SW11 0171-624 4484

C Piper Christopher Piper, Ottery St Mary, Devon 01404-814130

Savage Selection of Northwich, Glos 01451-880896

Tanners Tanners of Shrewsbury 01743-234500

Uncorked London EC2 0171-538 5996

V&C Vachon & Croft of Edinburgh 0151 588 8086

Wine Treasury Vintage Roots, organic wine specialist of Berkshire 0118-976 1999

NY London SW8 0171 733 9999 Those who pay £20 to join its 'syndicate' get 25 per cent off list prices

Noel Young of Cambridge 01223-844744

Kabinett 1996 Merckelbach about £8.40 M&V, Selfridges, Bennetts of Chipping Camden, NY. Dense and earthy perfume. A Riesling to get your teeth into.

*Dr Unger Riesling Spätlese 1997 Wachau £3.50 Duckliff Abbey, Devon 01364-644104. Thrilling combination of grape, (Austrian) region and year. Ripe but not sweet.

Rully Premier Cru Rabourin 1997 Olivier Leflaive £9.89 C&B. Utterly correct Chalonais white burgundy for current

drinking.

Chablis Premier Cru 1997 B Lepland £10.95 B&B. Racy, classic mouthful for drinking over the next three or four years.

*Chablis Vieilles Vignes 1997 Olivier Savary £11.22 ABA. Lovely mineral depths and real green interest. Now, but preferably later.

*P X Pichler's 1997 Wachau whites £12.50 (to £27.90) Raeburn of Edinburgh 0131 3431159, Gauntneys, NY. The prima inter pares of Austria's great white wine pro-

ducers from an extremely fine vintage. To drink or, preferably, lay down to astound your wine-loving friends in a decade or so.

Pouilly Fuisse aux Chailloux 1997 J-M Drouin £13.65 Wine Treasury. Very fat and rich; almost Californian in its broad appeal.

Devil's Lair Chardonnay 1997 £13.85 ABA. Ideally for keeping, which is more than you can say about most Australian Chardonnays. Cool and restrained.

*St Aubin Premier Cru en Rémiilly 1997 Olivier Leflaive £13.92 C&B. Perfectly delightful, delicate Côte de Beaune already charming.

Berry's Puligny-Montrachet 1995 £14.50 BBR. Good value village wine from dependable Gérard Chavy reduced from £15.95 until the end of the year.

Meursault Narvaux 1996 B Bachelet £14.95 C Piper. Attractively spicy, relatively open white burgundy.

Riesling Furstentum Vieilles Vignes 1995 Blanck £16.95 Adnams. Rich yet racy Alsace Grand Cru with grip and the sort of sweetness to stand up to onion tart. Go for the Schlossberg 1996 at £15.95 if you want something more austere, for now or the cellar.

Fritz Dutton Ranch Chardonnay 1995 Russian River Valley £17.95 Uncorked. Fritz's rich marzipan rendering of a vineyard most sublimely encountered from Kistler (try the Wine Treasury for a bottle or two). A white wine you could drink with Christmas cake.

*Meursault en Luraile 1996 Rémi Jobard £19.50 L&S. A great treat. Already easy to lap up in its broad though by no means blowy appeal. Jobard's Bourgogne Blanc 1996 at £10.95 L&S is another fine buy; extremely correct if less glamorous and deep-flavoured.

Vignier 1997 Calera £19.75 B&B. Dramatic cocktail of an extremely savoury nose, mas-

sively spicy impact on the palate and neat, dry finish. This could stand up to the most fussy dish nonchalantly.

Chassagne Montrachet Premier Cru Les Vergers 1996 Pernand & Laurent Pilot £19.95 L&S. Where the Meursault is broad, this is razor sharp and sinewy but deeply exciting in a greengage sort of way.

Condrieu 1997 F Villard £22.90 ABA. Very fine, concentrated, savoury style with more ageing potential than most. Three different bottlings of which Focine is the richest and Vallon the most elegant.

*Meursault Chardonnay 1996 Dents Boussey £26.95 Uncorked. Already some attractive development on the nose in this smoky, fine-textured classic.

*Pahlmeyer Chardonnay 1985 Napa Valley £33.49 Reid 01761-483645. Pure seduction.

Treats

If you don't serve sweet wine at this time of year, when will you? The fringe regions of Bordeaux - Monbazillac, Sauternes et al - are where the action is.

Tirecul La Gravière was the locomotive (originally imported by L&S, and now on brokers' lists) but its superlative, painstaking influence is spreading as benevolently as noble rot itself.

Muscadet de St Jean de Minervois 1996 Perna Batut £12.53 Pavilion Wines 0171-688 8224. The best producer of this useful appellation, with depth as well as scent. Just the sort of thing for a noisy Christmas lunch.

*Coteaux de Layon, Clos Ste Catherine 1996 Dom Baumann £13.28 E Pope. Rich, lively, lovely, already gorgeous, like unctuous wine jelly. Would be a really reviving lift at the end of a meal.

Tokay Aszu 4 Puttonos 1979 Soci £9.60 Savage. An extremely outé Slovakian wine. Refreshingly homespun answer to the modern marvels being made across the border in Hungary's revitalised Tokaj area.

Clos d'Yvigne 1985 Sauternes Soci £9.50 J&B. Quite extraordinarily sweet and open, and therefore ready to lap up with all sorts of puddings straightaway.

Coteaux de Layon Beaulieu l'Anclote SGN 1996 Ch de Pierre Bise Soci £10.95 L&S. Zapi! This wine already throbs with sweetness and spine but is clearly built to last for years.

*Sauternes Coup de Coeur 1996 Ch Richard Soci £11.50 VR. Wonderful. Truly exciting wine made in the image of first growth Sauternes but excitingly easy to enjoy now. Great combo of the nervousness of botrytis, the luxury of new oak and the ripeness of pears in honey.

Capitelli Recioto di Soave 1996 Anselmi 37.5cl £9.99 V&C. Lovely intensity of ripe fruit and apple peel with hints of candied peel on the finish. Best with nuts, cheese or simply candlelight.

Ch Tirecul La Gravière 1994 Monbazillac £21.50, Soci £14.50 J&B, £15.95 L&S. Definitely worth a punt for this gloriously opulent, accessible treat.

Kracher Austrian sweet wines, from £10.95 a half J&B for a blended Beerenaußlese 1995. Zwischen den Seen Bouvier-Muskat TBA 1996, another Kracher, is £16 NY: deep-flavoured, tingy, with real class.

Stronger stuff

See also fine, rare madeiras from Patrick Grubb Selections near Bicester 01899-340229.

Chairman's Late Bottled Vintage Port 1992 £9.19 E Pope. Good value for a port with this much character. Not the most port in the world but an interesting Synington blend based on intense Rio Torto fruit.

*Berry's 1983 Vintage Port £14.95 BBR. Reduced from £17.90 this month and a great bargain from the house of Warre (its much less fine Late Bottled Vintage 1994 costs more or less the same from the supermarkets). For this and the next 10 Christmases.

Charles Harris 1983 £19.50 BBR. A star in a recent blind tasting of 1983 vintage ports; great value.

Gould Campbell 1980 £18.75 BBR. An exceptional 1980 that holds its own with, or even above, some famous names.

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FOOD AND DRINK



Let down in London and Paris

Two new offerings from the Conran empire leave Nicholas Lander disappointed

For most of the 1990s Conran Restaurants has epitomised the advance in British design and cooking standards as well as the UK's greater interest in the pleasures of the table.

Conran and Paul Hamlyn initially put chef Simon Hopkinson in charge of the kitchens at Bibendum in south-west London. Then the company went on to open Le Pont de la Tour with its new angle on Tower Bridge; to design the provocative steps leading down to Quaglin's dining area; and to let you watch all the workings of Mezzo's kitchen through a huge glass wall.

Perhaps it was all too good to last. Certainly I have not overly enjoyed their last two West End openings, Zinc Bar and the over-themed Sartoria, but I was genuinely excited when I first saw Coq d'Argent, above No 1 Poultry in the City, and then heard that the next venture was to be Alcazar, an old night-club on Paris's Left Bank.

Coq d'Argent is a fine location while the timing of Alcazar's opening appeared immaculate -

just when British food and cooking were finally being taken seriously by the rest of the world. Sadly, on closer inspection, both disappointed.

The Anglo-French party I dined with at Alcazar left disappointed and bemused. Just what, we all wondered, is this restaurant trying to be? Is this the new, dynamic face of British restaurants striking out in Paris's heartland? If so, why is the chef French? Why is there so little British produce on the menu? Why does it incorporate so little of the dynamism and fun of the earlier restaurants?

If, however, this is a British version of La Coupole, Le Dome and Lipp - as seems to be the case from the conservative menu and dull wine list - why bother? Neither the cooking, nor the design, nor the atmosphere at Alcazar give these admittedly

much older brasseries a run for their money.

Anyone acquainted with Conran's London restaurants will find reminders in Alcazar's interior. The skylight is similar to Bluebird's; there is the familiar cruetage bar at the far end as well as angled mirrors along the walls (as in Quaglin's), while the long glass wall separating kitchen and restaurant is straight out of Mezzo. Neither the restaurant chairs, nor the chairs on the bar tables on the first floor are too comfortable but the banquettes are fine.

The British contingent naturally wanted to eat French but of all the dishes we tried only an extremely fresh salad of raw tuna was original and memorable. The others - half a dozen oysters, a fillet of cod, a grilled cutlet and a braised cheek of beef - were merely ordinary.

What was downright poor, and would have sent the chef to the back of any culinary class, was his rendition of the classic *pot au feu*. Chopping the vegetables rather than leaving them whole and thickening the sauce with egg and cream adds nothing to this dish.

Our French friends naturally wanted to eat British. They had heard that even Michelin-starred Alain Ducasse serves Colston Bassett Skilton on his cheese trolley and they promptly ordered an excellent first course of Loch Fyne smoked salmon with *crème fraîche* and *galettes*.

The salmon, they pronounced, was much better than the Norwegian version usually found in Parisian brasseries. After that they were stuck for choice. There

was nothing original or British, or, in fact, any modern British interpretation of French classics to tempt them. There was no Lancashire hotpot, for example, even on a cold November day; no cheeses other than French; and the desserts - tarts, *petits pots* as chocolate and fresh fruit - were predictable.

One Parisian restaurateur I spoke to was disappointed. "I have enjoyed eating in Conran's London restaurants," he said, "and here I was expecting the same sense of fun. Perhaps even a 'froggie' menu that slightly poked fun at us with frogs' legs, *le rosbif with pomme purée* and *le crumble* [a current Parisian favourite] to finish. But there is nothing like that."

Thanks to Conran's genius for self-publicity, Alcazar will be busy for the immediate future. But in Paris, a city of 1,000 brasseries, it needs a much stronger identity if it is to shine.

The role that Conran obviously has in mind for Coq d'Argent is to excite the City of London's gastronomic palate. The wine list, with enough great bottles to satisfy any trader after a successful day, will certainly do this, as will the gardens when they come into their own. In the interim, service - which included yet another gum-chewing waiter - and the cooking must improve substantially.

Surely, I thought, Coq d'Argent must be the place to eat classic *coq au vin* and it did appear gleaming in a bright copper pan. It was served equally correctly and presented, to the eye at least, all the right ingredients: chicken, bacon, mushrooms, onions and sautéed bread. But it tasted dull. There were none of the strong, gutsy

flavours that warm the cockles of so many Burgundian hearts. This tasted as though it were *coq au vin à la minute*.

What also bothered me about this menu was the choice of vegetables on offer: haricots verts, buttered spinach or braised endives with walnuts. Surely there should be someone - dare I say a restaurateur? - pointing out to these chefs that not every vegetable, even in the deep mid-winter, has to be green.

It appears that Conran Restaurants, and consequently its customers, are suffering in the transition from a collection of places that were regarded as "a string of pearls" to the multi-tentacled group that appears to be Conran's personal goal. Standards have undoubtedly slipped, partly perhaps because its former managing director is now in Manhattan planning a restaurant which will open there late next year. ■ Alcazar, 63 rue Mazurine, Paris 6th, tel: +33 66 34 02 02. Open all week. Set menu FF180. ■ Coq d'Argent, No 1 Poultry, London EC2, tel: 0171-395 5000. Closed Sat lunch and Sunday.

Chefs

Class from Ducasse

Nicholas Lander prepares for the latest offensive from a Michelin master

Since winning his sixth Michelin star, chef Alain Ducasse does not seem to have stopped working and travelling.

I caught up with him for a brief lunch in Paris last month. He had just flown in from Singapore and 48 hours later was due to fly on to Los Angeles - but he still had time to talk excitedly about his Italian restaurant, Il Cortile, in rue Cambon, in the

first *arrondissement*, and his latest book, *Flavours of France* (530 in the UK and available from Books for Cooks, London W11, tel: 0171-251 1992, fax 1617), which comes with the shop's assurance that this is one of the few top chefs' books that does not require a brigade to do the requisite preparation.

Ducasse's next venture, the restaurant Spoon, Food and Wine, opens on Monday at 14 rue de Marignan, in the

8th (+33 40 76 34 40). It will be his least expensive restaurant to date with main courses averaging FF140 (£14.95). Equally impressive

- if not shocking by French standards - will be the wine list, overwhelmingly drawn from top producers around the world with only 10 per cent of the wines coming from France.

■ Il Cortile 37 rue Cambon (tel +44 59 45 67).
■ Flavours of France (264

pages) is published in the US by Artisan and costs \$50 until the year end and from then, \$60.

■ Two restaurants in Paris's 8th *arrondissement*, not far from Gare du Nord and Eurostar, are offering exciting food and extraordinary value for money.

Casa Olympe and Petrelle are small - the former seats no more than 40, while the latter has no more than nine

tables - and you must book well in advance for either.

Casa Olympe is the latest home of Olympe Versini, who, having won two Michelin stars in the past, has settled for a simpler style of food - her present three-course menu, with a few supplements, is FF190. But what generosity and flavours in a bright yellow soup of pumpkins and mussels; an oxtail terrine; a lip-smacking, ox-cheek cooked for not a minute less than the stipulated seven hours and, to finish, a heavenly *blanc manger* with diced almonds.

Whereas Olympe is one long, narrow room, Petrelle is small and rectangular and has been lovingly transformed by the staff of two - one waiter and the chef - with the help of carefully chosen prints and antiques, mostly with a food and wine theme.

This is just the place for an intimate dinner as the food and service are so personal. There is a great wine list with a string of remarkably inexpensive 1982 clarets. I found it difficult to believe that just one man - on his own - was producing such wonderful flavours. Try the marinated, wafer-thin scallops, *roquette* with parmesan *galettes* and succulent veal shank with flat parsley.

■ Casa Olympe 48 rue St Georges, tel: +33 42 66 26 02.
■ Petrelle, 34 rue Petrelle, tel: +33 42 62 11 02. Closed Sunday and Monday lunch. FF120 for three courses & 6 clarets.



Catch of the day: one of the fine photographs from Ducasse's 'Flavours of France'

Talking real turkey

Giles MacDonogh goes shopping with Anton Edelmann

Anton Edelmann, chef at the Savoy, London, caters - with his 80-strong brigade - to the tastes and whims of the world's richest men and women and a stable number of City financiers for whom the hotel is the favoured target for luncheon forays.

Christmas is coming, and although Bevarian-born Edelmann might prefer goose, he is aware that most of his customers want turkey.

Turkey, however, is a nightmare. There is so much tasteless rubbish on the market: battery birds fed until they cannot walk, the sole appreciable advantage being their meat yield and the fact that any monkey can carve them.

Edelmann went shopping, and I tagged along. We drove to Eastbrook Farm in Wiltshire. Eastbrook is 100 per cent organic, with credentials from the Soil Association and all the British and European authorities which watch over the title. In season, however, it sells both free-range and organic turkeys, supplied by a farm in nearby Oxfordshire, and

another far away on the Lincolnshire coast.

Visiting a turkey farm was a novelty. As we opened the gate Ruth Froude's birds came over to greet us. They were white or bronze, weighing a modest 10kg to 20kg. I was struck by their ugliness.

Inside, the first batches were hanging. All fowl

should hang, even a modest chicken should get four days. These turkeys are strong up for a week to 10 days. At the end of the barn pluckers were working in a storm of white feathers. The slaughter took place in the next section. The birds did not have far to go. There was no shock. A sharp stroke and it was over.

Next year, said Tim Finney, the marketing director of Eastbrook Farm, should hang, even a modest chicken should get four days. These turkeys are strong up for a week to 10 days. At the end of the barn pluckers were working in a storm of white feathers. The slaughter took place in the next section. The birds did not have far to go. There was no shock. A sharp stroke and it was over.

This small-scale operation may no longer be permitted. Measures being drawn up in Brussels may require them to take the turkeys to a distant abattoir, or that a wet be permanently on hand at about £30 an hour. Costs, he said, could rise tenfold.

Edelmann had disappeared. We relocated him among the turkeys. He was squeezing the flesh, admiring its unblemished whiteness and fine subcutaneous layer of fat. The bronze birds, we were told, would be even fatter, and the flesh even sweeter as a result.

We drove back to Eastbrook Farm, inspecting fields full of happy saddleback pigs, Angus cows and Suffolk and Hebridean sheep. Unlike the turkeys, these were properly organic, and nourished on the farm's own feeds, including their carrots and potatoes.

Some of this turned up at an excellent lunch. Helen Browning was the owner of the farm. I had expected something a little more whimsical, but this was a new generation of organic farmer, no clogs or beards here but a well-educated, rational, tough and

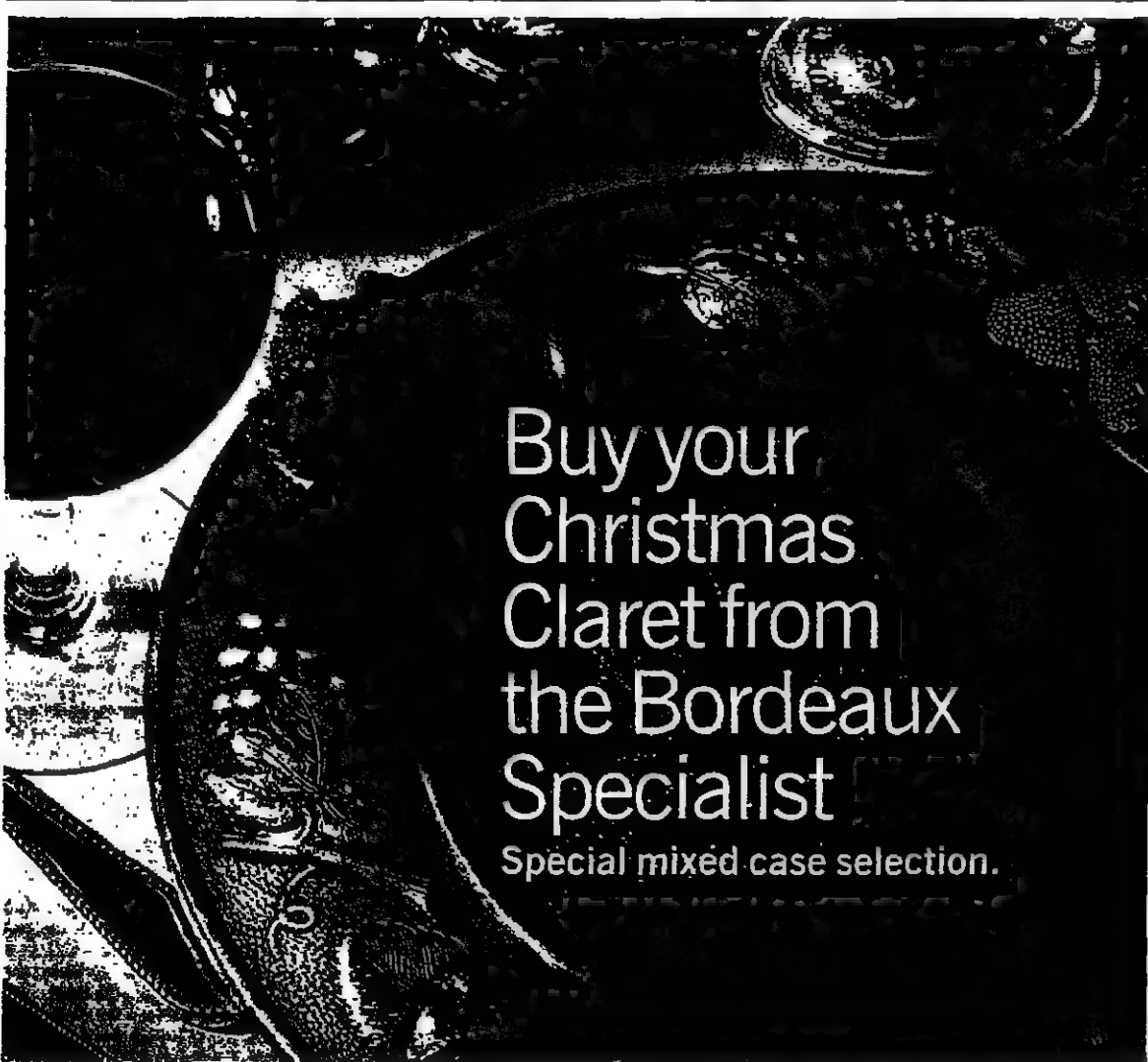
businesslike woman. Each new shock which emanates from the world of sloppy, conventional farming astir her cause.

Edelmann, a farmer's son, seemed pensive on the drive back. I thought his silences betokened some deep thoughts on the nature of modern life. Later, I learned that his head was simply filled with figures.

He called me that night: "I've bought the lot!" he said.

■ Information for reservations at the Savoy's River Restaurant call 0171-536 4943. Eastbrook Farm, which stocks other produce, will sell directly to the public. Call 01793-750460.

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PROPERTY

Low rent for a winter hideaway

Landlords offer bargain rates to win tenants during the lean months. Anne Spaekman reports

For those who like to flee the city in winter there are bargains to be had. Cottages and villas used for holiday lets in summer often struggle to find takers from September until Easter - or even June. Many landlords would rather take a regular low rent than hold out for a couple of premium weeks over Christmas.

Winter tenants able to make the most of such bargains include hunters and field sports enthusiasts looking for a base for the season. They also include city families looking for a cosy weekend and holiday base, as well as those giving second-home ownership a trial run.

Anyone seeking to rent in winter should bear in mind that as a general rule, a month's rent in winter is similar to a week's rent in summer. And the more touristy the area, the greater the discount.

In many southern counties of England tenants can expect to pay about £450 a month for a two or three bedroom bolthole out of season.

The price rises for the Cotswolds, which is prime winter weekend territory, and falls in Devon and Cornwall, which many potential customers consider too out of the way.

For those who measure distance in flying rather than driving time, some stunning villas are available for rent in the south of France. Sotheby's International has two properties at Saint-Jean-Cap-Ferrat which command £38,000 a month in summer, now available for £14,000 a month. That price goes until March.

Anyone who questions the benefits of the south of France in autumn and winter should remember that visitors at the end of October this year spent their days sun-bathing on the beach.

Tenants should not be afraid to negotiate over rent at this time of year, when landlords may have had a couple of lean months. And when working out the sums, they need to remember that long-term tenants pay household bills as well as rent.

The Cotswold-based agent Butler Sherborn has several picturesque cottages and houses available for rent this winter. Rowlands Cottage in

Notgrove is a classic offering. The detached cottage has a sitting room, dining room and study, two bedrooms and a pretty garden, and is available furnished for £700 a month until the end of May.

St Mary's Cottage at Ship-ton-under-Wychwood is a three-bedroom semi-detached cottage with a courtyard garden and parking. The guide rent is £750 a month furnished. The same agent also has a larger town house in Stow-on-the-Wold available part-furnished at a guide rent of £1,000 a month for six months.

Vivienne Lumsden, head of Butler Sherborn's lettings, advises landlords that rent-ers will pay extra for good quality kitchens and bathrooms. There is also a premium for being near a train station with regular services to London. "Tenants often spend more than the week-end there - working from home, thanks to the merits of technology," she says.

Knight Frank's Cirencester office has demand from winter tenants looking for a hunting base. It currently has four rental properties with access to stables. There are two on the Gloucestershire/Wiltshire borders, both asking rents of £2,300 a month.

The Mill House has four bedrooms, an Aga kitchen, four stables and large gardens on the banks of the Thames. Little Flestor is a slightly bigger property with only one stable, but a tennis court.

Knight Frank has three properties at about £700 a month, all offering two bedrooms, a sitting room with open fire and garden. One truly spectacular bolthole on offer is at Alderley near Wootton under Edge. The Summer House is a grand folly with views across the Severn estuary, in three acres of grounds looked after by the landlord. Knight Frank is asking for a rent of £1,200 a month.

In Devon the tenant has the upper hand, as landlords struggle for out-of-season bookings. Those willing to take on holiday homes designed for the summer market can pay a lot less. John Gange is currently charging between £200 and £300 a month for properties at his Seabank development of five homes with an indoor swimming pool and games room on the coast.

That compares with a peak of £595 for the week of the eclipse next August. Nearer London, rents rise as weekenders compete with full-time tenants. Lane Fox has a newly renovated house available on an estate near Monk Sherborne in Buckinghamshire. Orchard Cottage sits in rural farmland, within walking distance of the village church and can be rented for £1,000 a month.

How do these costs compare with individual weekly lettings? An up-market agency such as Rural Retreats would charge about

£250 a week for a three-bedroom cottage to sleep six in the autumn and spring half-term school holidays. At Christmas the same property would be £350 a week. A couple of two-night weekend breaks in between would cost about £270.

Rural Retreats, which is particularly strong in the Cotswolds, does not allow its landlords to take long-term lets over the winter because it has a strong demand for short winter breaks. English Country Cottages, whose properties are spread across the UK, will approach cot-

tage owners if asked for a long let. It is then up to the owner and potential tenant to negotiate a price.

Sotheby's International Realty 0171-293 6443; Butler Sherborn 01993-832335; Knight Frank, Cirencester 01285-656556; Lane Fox 01285-474647; Rural Retreats 01386-701177; English Country Cottages 01252-445900.

□ In last week's Rottingdean feature, Mr A.J. Commis was incorrectly referred to as Sir John Commis. He is a former director of Barings Bank, not former chairman.

Keep the noise down

Susan Hann little suspected the torments that lay in wait for her when she began The Dance Company in Beckenham, in partnership with David Finn.

In 1984, they applied for permission for a change of use for their premises from light industrial to leisure and entertainment. After being granted two temporary planning consents by the local council, in 1997 the business was refused full planning permission on noise grounds.

"I was devastated," she said.

Repeated complaints about the premises had been made by a neighbour and although these had not been proven by a noise test, the council refused permanent permission. Buoyed by the support of their students, the partners determined to fight; they certainly had no wish to close the business.

"We didn't want to be bad neighbours. Our attitude was, if there is a problem with noise we will try to sort it out," said Hann.

The company engaged acoustician Roger Tompsett, head of WS Atkins Noise and Vibration, of Epsom, to carry out noise measurements, make recommendations for attenuation and prepare evidence for a public inquiry into the case.

Tompsett's measurements showed that The Dance Company's premises contributed very little noise to the surroundings and that some relatively inexpensive insulation work could reduce noise even further. This was confirmed by measurements taken later by the council.

His evidence was accepted by the public inquiry and The Dance Company won its planning permission.

Many residents have complaints about noise that can lead to acousticians being called in to measure the nuisance and give an expert opinion.

Suppose, for example, a new road or railway is to be built a few dozen metres from your house. Noise and vibration can affect you and

your property in several ways. Consider construction. Vibration from bridge piles being driven into the ground could affect the fabric of your house and shake up your family. The noise of piling together with the roar of construction machinery could disturb you. Once the road or railway is complete, the traffic upon it could spoil your enjoyment of your property.

For all these acoustic phenomena there is a British Standard. There are also regulations and legislation - for example, the Noise Insulation Regulations, under which insulation work may be carried out on your home at the expense of the highway authority.

The standard insulation provided is not aesthetically appealing and, providing acoustic standards are met, residents can usually apply for the cost of the standard equipment - secondary glazing and a special acoustic ventilator - to be paid as a grant towards the cost of their preferred equipment.

Noise can contribute to loss of value on a property caused by a new road and substantial compensation for this can be claimed under the Land Compensation Act.

Noise must also be considered when a housing or office development is planned. Council planners in England consult Planning and Policy Guidelines when deciding whether to permit a development and the evidence of acousticians is often used in support of an application.

Of course, noise, which can be simply defined as unwanted sound, is the cause of many disputes. One man's symphony is all too often another man's cacophony and here again the acoustician can give an independent view on whether a noise constitutes a nuisance.

Susan Hann describes Roger Tompsett's contribution as "fabulous" and acousticians help many people with similar problems - in a quiet way, of course.

Rhys Owen



Spectacular bolthole: the Summer House is a grand folly with views across the Severn estuary



Town house: Stuart House in Stow-on-the-Wold, available for £1,000 a month

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Ballymore Properties

Ballymore Properties has appointed Brian Fagan as Group Financial Director. He joins the Company from DCC plc where he served in a similar capacity with DCC Healthcare Limited. Previously Mr. Fagan worked in senior management positions with ENAO Oil Limited and Flogas plc. He is also a former Director/Manager - General Practice with KPMG Stokes Kennedy Crowley.

Commenting on his appointment, the Chairman of Ballymore Properties, Sean Ballymore, said: "We are pleased that Brian has agreed to join Ballymore. Brian brings with him a great deal of experience which will strengthen our management team in line with the continued growth of our company."

PROPERTY

Gardening

Restoration need never be a tragedy

Robin Lane Fox tells you how to beat about the bush

The problem of ageing gardens is peculiarly British. There are so many gardens which have had one owner for a long time or were laid out 60 or more years ago. Buyers and public authorities rush in with varying degrees of optimism. Restoration is as much of an art as new landscaping, but there is not a lot of good advice about it.

My basic suggestion is to wait, weed and chuck out. It seems to coincide pretty much with that of my colleague Stephen Anderton, whose new book, *Rejuvenating a Garden* (Kyle Cathie, £19.99), contains much which is invaluable for those who inherit a garden. Anderton's book is two in one. The main text is broken up with bold headings - we pass from Do I need a skip? to Chemical versus organic methods and major ques-

tions such as Financing the work - but he fails to say anything very practical on these issues. I do wish publishers would allow, or oblige, their expert authors to tell us what they really know without pre-arranging their text into inept little sections which ask questions but do not answer them.

The second part of the book is in the style which practical people such as Anderton handle best. It is an alphabetical list of many types of shrub, tree and hedge accompanied by the author's opinion on their susceptibility to backing, pruning and hard treatment. I recommend these sections. Anderton has years of experience behind him and is just the person to tell us what other dictionaries still ignore - whether or not a mature Kolkwitzia or Calluna will survive serious trimming back into shape. Suppose you have a holly

tree which has become too large or straggly. Anderton assures you that you can cut it right down to the base and expect it to shoot again. On the other hand, he reminds us that it is not much good cutting hard into a birch tree which has grown too tall or wide. Unlike holly, it does not respond when hit. That other overgrown legacy from the 1950s, Rhus Typhina or the Stags Horn Sumach, is apparently no more willing to regenerate. It is worth knowing this before you set about a tree now broader than its former owner ever intended.

The most valuable part of the book is the short section on cutting overgrown hedges. Anderton has no real answer to the problem of overgrown Leylandii Cypress and tends to think that cutting out the main leader merely encourages a side branch to develop as a leader instead. I have had

some success with an old untrimmed hedge by cutting it into a V-shape, removing the main leaders and trimming side ones. This operation encourages the hedge to put its energies into its width before resuming its height, and has stalled my monsters for the past four years. The problem is ultimately hard to solve, but perhaps not as desperate as Anderton implies.

His advice on cutting box and yew hedges is excellent and anyone who has inherited this problem should now consult him. It takes nerve, but box in its larger varieties can be cut extremely hard. Old hedges could actually be cut right down to ground level and, to your amazement, would still regrow themselves with green. Anderton does warn us not to be so severe with the dwarf box which we often inherit nowadays as an overgrown edging. He sug-



Would you open up the view immediately or wait and see what winds the trees keep out? *Landscape*

gests we should cut this variety one side and one year at a time; it is slow to regenerate if you take it down to ground level. I can only endorse this practical advice. He advises us to feed old, tired box, but I would add that the best cheap fertiliser is dried blood applied in springtime. Elderly yew hedges are a slightly different matter. Surprisingly, they too will regenerate if cut right back to old wood, but you should consult Anderton for the correct stages in which to pace

the job. He is right to advise that one side of a yew hedge should be taken at a time. I like his description of the job: "It should feel rather like filleting a fish, except that you keep the bones, the upright trunks and branches, and throw the flesh, or green growth, away." He recommends beginning on the side which catches the most sun, and suggests leaving a fellow year and then attacking the top. Then in the third year, the other side can be cut back to bare branches.

Anderton advises attacking the job in spring and concludes from personal experience that a hedge can be completely rejuvenated - a "tight, healthy and manageable" screen of yew, within five or six years. There are variations to this process and he advises us well on the value of preliminary feeding and watering. Among shrubs, he is also authoritative when telling us which to cut down in one swipe and which to take down in stages. Suppose you have inherited that lovely,

but familiar, relic from the 1950s, overgrown Forsythia in a bright yellow fort and an expensive tangle of shrubby winter honeysuckle. Forewarned by Anderton, you set about the Forsythia and cut it right down to ground level in late winter, expecting it to regrow from apparent extinction. Winter Honeysuckle, by contrast, should not be cut flat, but reshaped in stages. He reminds us that it flowers better on old wood.

Time and again, he recommends a reduction in particular shrubs, phase by phase. It is great fun to massacre an overgrown buddleja and see it recover; buddleja can be cut right down in spring to 6in or less.

I wish I could believe his advice for eradicating the awful horsetail. He tells us to swish the stems, when fully developed in summer with a stout bamboo cane in order to bruise them, but not to smash them. The idea is that a spray of Glyphosate will then penetrate past the plant's scaly skin and into its system. "Several treatments will be required," Anderton warns, "because all the regrowth will not appear at once."

After six years of swishing, my horsetail has increased slightly and I remain to be persuaded that there is any solution which does not do as much to rejuvenate as to kill.

Many leaseholders keen to extend their lease or buy the freehold of their home face an unpalatable choice. Do they pay over the odds to reach a private settlement with their landlord, or do they go through the complicated and potentially more expensive formal process enshrined in the 1993 Leasehold Reform Act?

The British government's recently published consultation paper on the leasehold system offers little hope that such decisions will be made any easier in the short term.

The paper expresses plenty of sympathy for leaseholders' plight. The government accepts that, in spite of decades of reform, leaseholders remain at the mercy of sometimes unscrupulous landlords, who retain power over properties in which they have only a relatively minor interest.

As a result, the government

On the Move / Anne Spackman Tea and sympathy but no new lease of life

plans to make it easier for leaseholders to gain the freehold of their property; it also plans to give them the right to manage their property, regardless of who controls the freehold, and it states its commitment to introducing the internationally used system of commonhold for ownership of flats.

However, when it comes to promises of action, it is all jam tomorrow. In her introduction to the paper, Hilary Armstrong, the housing minister, recognises that primary legislation will be required for most of her proposed reforms. "We will legislate when parliamentary time allows," she says ominously. Given the government's intention to introduce the reforms in one single, grand

package, the system may not improve for years.

There are about 2m leaseholders in England and Wales. If they wish to "unfranchise" their property - take control over the freehold - they have to jump through a series of complicated hoops.

The government plans to make this easier by widening the grounds on which leaseholders and buildings qualify for enfranchisement and lowering the numbers of leaseholders required to take part.

Of particular interest is the relaxation of the "residency" test. Under the plans, residents would qualify if the flat was their principal home at the time the enfranchisement procedure

started (rather than for the previous 12 months), or if they had lived there for 18 months in the previous five years (rather than three years in the past 10).

The government will also be considering an easing of the system for extending leases as part of its consultation process.

How difficult the existing procedures are is revealed in a study of a sample of leaseholders who have used the Leasehold Enfranchisement Advisory Service. Only 4 per cent had successfully gained control over their freehold using the formal system. A further 16 per cent had reached a private settlement with their freeholder.

Another area for potential reform is the valuation process.

At present, particularly on the large London estates, lawyers and surveyors spend expensive time arguing about the sum the leaseholders have to pay for the freehold. Leaseholders have to pay the "reasonable" costs of the landlord, as well as their own costs, as they have initiated the process.

The government proposes a number of alternative ways in which a figure could be reached more cheaply. One key proposal is the suggestion that a formula be devised to establish at what rate the value of a property shrinks as the lease expires.

One of the best bits of news for leaseholders is the plan to give them the right to manage their blocks. The consultation paper

points out that it is bad management, rather than fears about diminishing assets, which prompts most leaseholders to buy out their landlord.

However, the paper points out that this area is fraught with complications. It raises the suggestion that anyone nominated by the leaseholders to manage the property should be able to prove they have a sound financial base. Tim Curran, a surveyor specialising in leasehold enfranchisement, points out that the same requirement is not made of landlords, who can buy up freeholds at auction simply by producing the cash.

The paper does not wholly reject the landlords' case, though. It points out a few of the strong-

arm tactics some use. It says landlords frequently place insurance business to maximise their commission, rather than in the interests of the cover and its cost, for example.

One problem the government faces is that the worst abuses are perpetrated by smaller landlords, yet it is the large London estates which dominate the landlords' corner in the debate. The law has to apply to two very different sets of problem.

The government makes clear that in future it would like to see a system of commonhold for ownership of flats. This would mean each flat-owner had a share in the common aspects of the building, which they took over on buying the property.

Those who wish to take part in the consultation process should contact Ian Fuell at the Department of the Environment, by Friday March 12 1999. ■ *Leasehold Enfranchisement Advisory Service 0171-493 4116*

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TRAVEL

Mar Grover explores the mosques, souks, cafés, houses and courtyards of Aleppo

disrobed in a circular hall beneath a lofty dome and swaddled in towels, shuffling to the steam room. Heat lapped my skin, visibility was poor. I was sweating. A cheese as a mummified show led me like a lamb to the bedroom.

readied on tiles, I was pud and prodded, pummeled and poked. The masseur returned what resembled a stringy bird wig. It augured an improper end or one last letter. "Gd!" he croaked. "Marvel!" I squeaked.

Later, sipping tea on a divan, I examined my new scrubbed self. Hammams - Turkish-style bath houses - are an integral part of Aleppo and the 14th-century Hammam al-Nasri, reared in 1885, is one of Syria's most lavish. I felt supple, yoger and primed for the old-est continuously inhabited city in the world.

inascus, the capital, hotly denies such claims. Aleppo, near the Turkish border, scoffs. Aleppo - like Syria itself - is a shille through the centuries. Hikes start the show around 800C, followed by Assyrians, Persians and Greeks.

me and Byzantium directed an AD637, when Arabs took the city. The Hammadids, Mirdasids, Ayyubids and Mamluks ruled Aleppo in parts with long roles. Ottomans were the st, from 1516, the French aggressive stagehands between them. It was independence, of coe, which really brought the hoe down in 1948.

erging from the hammam in brit sunlight, I made straight for the citadel. Aleppo's most obus landmark sits on a maid with a dry, wide moat. Opposes for the views and an insing Mameluke gateway approached by an arched bridge. A pagan temple to church, mosque to fortress, palace to ce this citadel has seen it all: rus and remains scatter its side. "Haleb", the city's Arabic net, derives from the word for m; it was by the mosque of Alham, that Abraham reputedly admitted his cow - and where I used for a cup of coffee.

Aleppo's great trading days, w eastern caravans headed w to the Mediterranean and Tey, are gone. Yet it retains so penance, and the sights are coeely spread. I gazed down one old quarter, a collage of droofs, domes and vaults, perched square minarets, ighness and elegance. Hidden from view, itanous covered souks thread ill capillaries for a reputed 30 (13 miles). Once the city's liflood, today they are rivalled on by Cairo's.

lunged into Souk al-Atarine, anterial extravaganza of cubile shops and boutiques. Cooous traders offered skins and pelts, robes and carpets. Wild "minerals" like fine dates or a baby. What about sheep's hee, laund soap or 30 styles of plic huck? Donkey trains chit one way, porters flowed arher. You can haggle over go/frankincense and myrrh. "It's a place to stroll at will, fodirections as well as mountme to take one's fancy.

haps I seemed shrift, for an eldy man inquired of my objectiv. The Clock Tower eventually. "N God!" he exclaimed. "You arpoet lost." In a genie's flash, I being ushered along, curi-out about his catholic English. Alid Modalla proved a gentle get, informal and almost paine get. We could meet again by the G-Mosque - if I came, good; if not, good - but not bad.

It he warned, were some get. Heals by the Ottoman City Tower near Bab al-Faraj. A w of cheery decadence runs



Souk it to me Bab al-Faraj street near Aleppo's clock tower

Amor Grover

Ancient citadel has seen it all

through downtown like a drain.

From sin to salvation is just a few minutes' walk. The nearby Jdeide Christian quarter - all narrow lanes, arched blind alleys and bells; enigmatic mansions with elaborate doors - is predominantly Armenian. Many fled from first world war Turkish persecution, and today it is a haven for a bewildering array of sects, each with its own church.

All stand within a stone's throw but no one is throwing stones. You can dabble in Georgian Armenian, Greek Orthodox and Syrian Catholic, not to say Greek Catholic and Maronite, too.

Food for the soul is fine, actual food even better. Sias House may sound like a camp rendezvous, but this charming 17th century Jdeide mansion is a cut-glass restaurant. Candlelit tables fill a deep majestic courtyard and there appear to be no menus. Maybe I should have worn a tie - the waiters wear seventh arron-issement smoothness. Looks may not kill but they can curdle. We skipped dessert.

In need of a congenial beer, we made straight for the Baron Hotel - what was adequate for Atatürk, Roosevelt and Philby was good enough for me. Completed in 1911, it was run by Armenians for colonials. Deep armchairs, French windows and high ceilings once made it feel like the Ministry of Society.

Its most famous (and infamous) patrons have died, the paint has peeled and one hopes they keep it going, for decay is rarely more engaging. I lolled in the lounge. Guests stared through a glass cabinet, intrigued by the copy of

Information

Four international carriers connect with Aleppo. Travelers, 0771-433 3636, quoted fares from £383. There is more competition to Damascus: 0771-433 3636 quoted fares from £253. You can then take an 800km flight to Erbil, Chappas fares are Syrian Air via Damascus, £276, from January 15 to April 1.

Accommodation: Aleppo has plenty of hotels and guesthouses. Top-of-the-range hotels tend to be overpriced. The Baron Hotel offers decent rooms for about £20 to £25 and is convenient for exploring the city.

Almod Modalla can be contacted at PO Box 5814, Aleppo. Tel: +963 5717718.

Lawrence of Arabia's 1914 bill.

In the world's oldest inhabited city, it seemed obligatory to visit its oldest inhabited house. In among the souks lie several 15th and 16th century khans, caravanserais, where merchants unloaded their animals, wheeled, dealed and slept. Elegant arcades girdled courtyards but most remaining today have been roughly adapted to modern needs. Khan al-Nahasin is a little different and might pass unnoted but for the house of Adolphe Poche, the late Belgian consul. I made an appointment.

From 1539, its labyrinthine pedigree has embraced Venetian nobility, a French consul's daughter and her glass-merchant husband from Bohemia. "Poche may seem French but it is a Bohemian name," explained

Jenny Marrach, the owner. She showed me some of the 18 rooms, repositories of Byzantine, Hittite and Palmyrene relics. The first camera in Syria, a fantastic contraption, lies in an open trunk while old photographs fill another room. A framed Venetian flag hangs there. "Once, in the library, Agatha Christie waited with my father," she said. Privileges and grace seemingly infused all its occupants.

I opted for Ahmad Modalla's tour. We met at the Great Mosque and hastened to its arched courtyard where blind men with sticks sang plaintive hymns. In the main prayer hall, we stood before a reliquary said to contain the head of Zachariah, father of John the Baptist.

Ahmad is a sprightly man and we combed the old quarter exhaustively. I learned of Aleppo's famous soaps and scrubbers, kees, spices and cloth. At Bimaristan Argun, a mental hospital built in 1354 by a Mameluke prince, we saw tiny courtyards with cells. "Treatment by water," he explained - all had fountains - and as patients responded to melodious gurglings, they swapped cabbages for rooms.

We finished beneath the citadel at Sulaymaniyeh Madrasa, one of the city's finest religious schools. Wispy-bearded men prayed before the mihrab, an extravaganza of multi-coloured stone.

"Come," said Ahmad, entering a side room with flat marble tombstones anchored to the floor. He opened four concealed doors. Steps faded into the gloom, yet only one passage makes the citadel. "Which one?" I asked, but he simply shrugged theatrically.

Wonderful, wild Waterfall Way

Michael J. Woods discovers a spectacular landscape a mere hour's flight from Sydney

General information

Michael Woods travelled as a guest of Air New Zealand and the Australian Tourist Commission. Air New Zealand has return flights to Australia from £710 per person. For further information and reservations call the Air New Zealand Travel Centre on 0171-839 1604.

For further information on Australia and a free copy of the 130-page Travellers Guide, call the Aussie Helpline on 0900 561 434.

To drive the Waterfall Way, hire a campervan from Sydney and drive north or from the nearby coastal town of Ballina. Ballina Campervans, 288 River St, Ballina, NSW. Tel: +61 68 811 555, fax: +61 68 854 721. A two/three-bed campervan costs approximately £420 for seven days, including unlimited mileage. You may drive on a valid overseas driver's licence for the same class of vehicle.

UK visitors need a visa for Australia and can get a free three-month one through the Australian High Commission or your travel agent for a small charge. Ask about the electronic tagging vehicle (ETA), which can be obtained over the phone - 0881-600583.

try by starting at the home of one regional university and ending at another, Coffs Harbour, on the coast.

Often bewildered by the choice and variety offered on the Australian continent, when we came across Waterfall Way, an area relatively close to Sydney, we decided to take a look. Like a tortoise with its home on its back, the campervan gave us the perfect freedom to dally and linger as we pleased, using simple and free national park sites overnight and waking to the wonderful liquid notes of Australian magpies and the rambustious, hysterical giggles of kookaburras.

The village of Ebor, population 100, lies about halfway along the Waterfall Way. It was there that enormous volcanic eruptions took place about 18m years ago. Molten basalt was poured over the existing sedimentary rocks, forming cliffs nearly 1,000ft (300m) thick. Uplifted and eroded, they create a dramatic escarpment above Belingen. The basalt columns are clearly visible at the upper and lower Ebor falls where the Guy Fawkes River, following the Demon Fault Line, plunges over the hard, grey stone into unfathomable pools.

These river valleys form dramatic gorges in an otherwise well-ordered pastoral landscape noted for the high quality of the

wool produced from its sheep.

Farmers like Cyril collect a premium for fleeces free of burrs and seeds, and fit their stock with plastic coats to protect them. The yawning spaces in the ground only became apparent when a roadside sign indicating a waterfall revealed the flow from some otherwise innocuous creek plunging into a ravine. Almost all are within national parks - often on the fringes, for such gorges mark the beginning of wild and broken country, still clothed in largely untouched forest, where agriculture is impossible.

Australia has 35 types of rainforest but as I was struggling to recognise more than six tree species, the differences were not always readily apparent.

Dry rainforest and cool, temperate rainforest looked much the same to me. It was only in the subtropical one, in Dorrigo National Park, that the differences between the soaring grey trunks in airy open glades on the plateau and the shadowy, dense, creeper, fern and epiphyte festooned trees became obvious.

At the Dorrigo Rain Forest Centre we discovered the spectacular Skywalk where the national park service has made brilliant use of the steep escarpment by supporting a wooden pier on delicate steel towers. As the forest falls away down the slope, the deck remains level with the cliff top and allows you to survey the forest canopy from above. The dark green treetops formed a dense - and apparently solid - undulating mat and, like beguiling clouds seen from an aircraft, gave the seductive appearance of being firm enough to walk on.

Once we had wound our way from the escarpment, we stopped at Never Never Creek in the hope of spotting a platypus. It was almost twilight before we found a likely looking pool and settled down on the edge to watch.

Within minutes there was a sparkle and a glint in the gloaming of the bank as the creature, bill laid on the surface, paddled its body into open water. With a gentle plop, it upended and duck-dived out of sight. We watched it and another for about 20 minutes before it became too dark to make out which were the ripples made by the platypus and which by the rising breeze.

Later, before ending our journey at Coffs Harbour, we called in at Nambucca Heads, a one-time thriving port and shipbuilding centre.

Half sunk in mud, at the river's edge, are the logs used to support the keel of a barque, Royal Tar, when it was built there in 1972. Of the four main logging mills there is no trace. In their heyday, three alone were stripping and sawing timber at the rate of 109,000ft a week. It is a wonder that New South Wales has any forests left, let alone the beautiful ones we had travelled through along Waterfall Way.



Hire a campervan if you want to see dramatic scenery

Tourism New South Wales

Tough times for Hong Kong hotels

John Westbrooke views the former colony's travails from the comfort zone

feng shui, the geomancy that lies behind Chinese construction.

In this case, the dragon living on Victoria Peak needs a clear route down to the harbour for a drink. The ground floor of the dramatic Norman Foster-designed Hongkong and Shanghai Bank, across from the hotel, is entirely open for this purpose. The dragon then crosses St James Square outside the hotel, ducks round the modest Star Ferry terminal, and drinks his fill.

The harbour itself is one of the world's great waterways, even as it shrinks under reclamation. Cruise liners and ferries, barges and sampans, and the occasional junk, cross paths constantly.

Beyond is the skyline of Kow-

loon, on the mainland, which has started to move upwards: height restrictions have been removed since the old airport, which was almost in the middle of the town, closed. (The new airport, Chek Lap Kok, also designed by Foster, is on another island half an hour west. Initially known as Chek Lap Kok, it seems to be working fine now.)

The Mandarin Oriental's top floor affords food as well as harbour views. One of two restaurants there, Man Wah, serves Cantonese fare, the dominant local cuisine. The other, Vong, a cousin of the Vongs in London and New York, mingles French and Asian, reflecting the cosmopolitan mix that is also part

of the territory's tradition. But what the hotels of the region are really famous for is service. Can they still cope in an age of economic crisis?

Although Europeans or Americans will now find Hong Kong a great bazaar, there have been sharp falls in visits by other Asians, agrees Liam Lambert, Mandarin's general manager. Some hotels have held their rates and have empty rooms, to keep their market share, he has trimmed prices - but not service. There are staff everywhere, and all so polite. (People who live in Britain notice this sort of thing.) Room service arrived swiftly: the record was about 10 seconds from the time we ac-

cently leant on the bell to the time of the knock on the door.

Supersize beds, personalised stationery, fresh fruit on the table and orchids in the vases, and an FT at the door every morning, what more could you want? A sauna to yourself? Then stay in the Pine Suite, not the biggest but the nicest.

But is newly Chinese Hong Kong still a place to visit? Yes, says Lambert firmly. "You do hear people say, 'I must have lost its colonial character'. But that never was a real attraction. There was nothing specially British about it, and that hasn't changed." That was my impression, too.

On my first visit, 16 years ago,

Hong Kong seemed essentially Chinese, and it still does (though westerners, now as then, seem to get through border posts more easily than mainland Chinese). Despite the appearance of troops and armoured cars for the hand-over ceremony last year, which did little for tourist confidence, I saw no sign of the military in the streets.

Instead, outside the hotel on a Sunday the roads are closed to traffic and overflowing with women. They are mostly Filipina maids on their day off, sitting, chatting, eating, swapping photos, reading newspapers and playing cards; the air is filled with the birdsong of Tagalog. Downturn or no, Hong Kong is

still growing. The New Territories, the land near the Chinese border, used to be rural. Now there are little clumps of skyscrapers everywhere, making Manhattan look like Norfolk, and even these are towered over - deliberately - by buildings in Shenzhen, on the Chinese side.

Take one of the HK Tourist Association's Heritage Tours to see the last relics of traditional life - temples, walled villages, ancestral halls. Hotels built in 1963 will probably soon qualify.

One last test for the Mandarin's staff: I have toothache. Head concierge Giovanni Valenti, a sympathetic fellow-drillphobe, reaches for the phone. Within an hour, I'm in a bright, modern surgery a block away, where an English-speaking dentist whips out a decaying wisdom tooth. So there will always be a little part of me in Hong Kong.

The Mandarin Oriental can be reached on 0800 963667 or www.mandarin-oriental.com. Until March 31, room rates (one or two adults plus free child) begin at £139. Cathay Pacific flies from London to Hong Kong twice a day; fares from £294.

TRAVEL



Snapshots from Kenya: left, Calvin Cottar outside a 1920s-style tent; centre above, camped out in Shaba, in northern Kenya; below left, the wildebeest migration crossing the Mara River; right, breakfast on a savanna in the bush; right, sunset dreams



Romance full of pedigree and promise

Motorised trawls through the Kenyan bush are all very well, says Lucia van der Post, but real wilderness is much harder to find

I like a bit of history with my Africa. And I like a bit of romance and a touch - but only a touch - of danger so that I can kid myself I am being intrepid.

Most of all, what I really want is a sense that I am somewhere remote and wild, that I have only to reach out to touch the wilderness. This may not sound much and you may think it is obvious but, trust me, it is what costs in Africa today and it is so devilishly hard to find.

Motorised trawls through the African bush are two a penny and very nice, too, for first or even second-timers who like their holidays safe, sure and comfortable and are panting to see the "big five".

But for those who find themselves hooked on Africa, there comes a time when they want something different, something lonelier and wilder. They want, as Elspeth Huxley puts it in *The Flame Trees of Thika*, a matchless evocation of pioneering days in Kenya. "To taste the solitudes where nature keeps her pure and intricate balance free from the crass destructiveness of man".

Not every guide can take you there. Some do not have the taste for it and some do not have the know-how, but Calvin Cottar and his 1920s safari come with the kind of pedigree and promise that is hard to resist.

Calvin's family have been in Africa ever since his great-grandfather, Chas Cottar, arrived from Oklahoma in 1904 in the best tra-

dition of African adventurers with a dark and mysterious past (best not to ask). Like others before him, "he came, he saw, he couldn't leave".

Calvin Cottar grew up wandering the Kenyan bush. In his early days, before it was banned, he was a hunter, which means that he looks at the bush with a different, keener eye, and there is little that he doesn't know or cannot do in it.

If you are going somewhere wild and lonely, you need someone like him to go with. He remembers what Africa used to be like. He heard from his father tales of the old-style safaris, of the luxury, the glamour, the long lines of porters, the seven-course meals, the journeying to places "way past the last piece of habitation", and it is this old-fashioned safari that he has recreated in remote parts of Kenya.

Not that this is about roughing it; it is, as Cottar puts it, "about romance". He wants to connect people's imagination with what they've read in books and seen in films, to bring alive an experience they've often been dreaming about for years.

In remote high country filled with wild bush and great cedar forests under the little visited south-eastern border of Masai Mara at the end of long rough winding roads, he has conjured up Olentoroto, a fantasy world, an old-style tented camp in 1920s style.

There are four cream canvas tents (which means the camp can



The authentic face of Africa: a wilderness near Shaba

only take eight people at a time), with canopied verandas to sit out on and look at one of the best views in Africa. There are four-poster beds swathed in mosquito nets (very conducive to a little white mischief) as well as old-fashioned bath tubs, shower units and plenty of old-style service.

Early-morning tea and drinks are brought to the tent-door and the large mess tent has Persian rugs on the floor. There is silver and crystal on the table, meals of several courses and, in the corner, scratchy 78rpm records play on the old gramophone.

But the really great thing about having Cottar and his team

to yourself is that you do precisely as you like. You do not have to confine yourselves to the set-piece safari routine but you go where the mood, the wind, the animals, the migration takes you. He will take keenies out fly-camping in his concession area to watch the smaller migration in the Loita hills or to walk and fish - pleasures and freedoms forbidden in all the national parks and, more to the point, dangerous without an experienced and accomplished guide.

While we were at Olentoroto we got word that the migration - that vast gathering of about 1.6m wildebeest, 1m zebra, other plains game and attendant prede-

tors - was in the Masai Mara and about to cross the Mara River. This is one of the greatest, most glorious sights in Africa and one that I had never seen in my many visits.

We spent a whole day lurking in the acacia trees by the river and what sights we were rewarded with - the streaming lines of banked-up wildebeest, their pitiful whinnying, their evident implacable impulse to cross the river coupled with their very real fear of doing so, the piled-up masses eventually almost falling down the sandy river banks, the crocodiles swimming in for the kill, the splashing and the danger. It was an altogether unforgettable sight, harrowing certainly, but moving in its rawness.

Other days we walked up gorges hoping to spot where the Verreaux Eagles nested or to see the Lammergeier fly, listening to the Colobus monkeys in the trees, catching a glimpse of a reedbuck and a steinbuck. Another day we tracked the pride of lion that had made such a racket in camp the night before, and on yet another we paid a visit to a nearby *manyatta*, the traditional home of the neighbouring Masai, whom Cottar and his fiancée Louise know well and who provide most of their staff.

With Peter Behr, his partner and co-owner of the company, we journeyed up to the far north into Shaba on the eastern border of the Samburu National Park,

and once we had arrived we never saw another soul.

We spent long days out in the open Land-Rover and for those who, like me, have a taste for these remote, desert lands, with high sides and a landscape filled with dry scrub and bush and winding rivers and the scary sense that if you broke down no one would ever find you (an illusion shattered by the use of radios and mobile phones), Shaba is the place to go.

Shaba is one of the few places where one can see Grevy's and Burchell's zebras grazing side by side so that for the first time I could compare what the textbooks so competently describe - the Grevy's is bigger, has bigger ears and finer stripes.

We saw the geronok and the reticulated giraffe and more rap-tors than I have seen in one place before but, best of all, we never saw another car or tourist.

We woke each morning to the croaking, growling and trilling of a million frogs demented with lust, saw the herons fly in to brood the feast that lay before them and by midday the heat would be heavy, the clouds lower and storms would be flickering in the distance.

Evenings were delicious. Showers and changed, we would sit outside our tent sipping our drinks while the insects battered themselves to death against the oil lamp. It seemed for all the world as if we had Africa to ourselves.

Only the paucity of game

(Elspeth Huxley recounts in *The Africa of her day* "as much no need to stalk and creep, he had only to stand still and look and something would fall, the discreet presence of solitary guards in the camp and the discovery of a poacher's row reminded us of how Africa has changed. At night, we take some rattling good plonking books to read and scare ourselves to sleep.

It takes money to hype the tourist herd and its mighty trails and take up temporary residence in your own remote wilderness camp. But for those who can afford it, it is an experience of a different intensity to a visit to the well-trodden tourist path.

The price you pay, though, is that the game is sparser in the crowded game parks. It is a good idea to put in three days at the Cottars' old family game, Bush Tops, which is right in the Masai Mara. Here there is as much game as the heart desires.

Isak Dinesen had a way of putting things: "Looking back on a sojourn in the African highlands, you are struck by the feel of having lived for a time up the air." Coming back was never so hard to do.

■ *The 1920s safari costs \$10 (£370) per person per day for a group of eight people. Bush Tops is \$25 per person per day. Book through Cazemore & Lloyd Safaris, 3 Alice Court, 116 Inney Bridge Road, London SW12 9NQ. Tel: 0181-875 9665.*

A small town in Germany with a right royal history

Giles MacDonogh visits the principality of Coburg and considers its tangled links with the British throne

For such a tiny speck on the landscape, Coburg can claim a disproportionate amount of importance in modern European history. True, its early development was little different from many of Germany's minor *Residenzstädte*: a Saxon princeling established his court and fortress there and surrounded himself with the attributes of might. In Coburg, the imposing castle, or "Veste", still dominates the town.

It was up at the Veste that Coburg made its first claim to fame. In the 16th century, it was the southernmost territory of the Saxon margraves. The margraves were the protectors of Martin Luther. In 1530, the imperial authorities in Augsburg tried to arrive at a compromise between the secessionary Protestants and the Church. Luther, the man, who had brought the rift about, was lodged in the Veste, scribbling books and letters and penning amusing lines on the drudgery of translation.

In Coburg - some would have it - Luther created the modern German language. The rooms where he performed this feat are lovingly preserved, along with his portrait by Cranach the Younger.

With Luther's departure Coburg went to sleep again for a couple of hundred years. Some lavish baroque ceilings were put up in the ducal residence, but otherwise Coburg was uncon-

scious of its significance until the end of the 18th century. Then, the reigning duke, Frederick Anthony, took stock. He had a territory the size of a pocket handkerchief, a comfortable palace in the Schloss Ehrenburg, a grim fortress up the hill, a few country seats of a modest sort and five supernumerary children to marry.

His offspring proved his greatest resource. Ferdinand married a Catholic Hungarian and his

Queen Victoria had a special affection for the place which had nurtured her family

progeny went on not only to found the crown of Bulgaria but to regenerate that of Portugal: Antoinette married the Duke of Württemberg; Juliane a Russian grand duke; Leopold married Charlotte, heiress presumptive to the throne of Great Britain, who sadly died (he was later compensated with the crown of Belgium); and Victoria, the Duke of Kent. The sole product of this last union was Queen Victoria.

Ernest went on to rule Coburg. He is best remembered for his good taste. He redecorated

of Schloss Ehrenburg in the contemporary neo-classical style and brought in Prussia's greatest architect, Schinkel, to make further improvements to his property. He had two sons, another Ernest, and an Albert. And...you guessed it, he married his cousin Victoria. I shall not even begin to unravel the knotted branches of the Coburg tree after that.

Queen Victoria had a special affection for the place which had nurtured both her mother and her beloved husband. She went to Coburg many times. She loved the intimacy of the small and romantic Schloss Rosenau with Albert and her suite of rooms at Schloss Ehrenburg, where she had Germany's first water closet installed in a bedroom cupboard.

As Coburg was spared the wanton destruction of the second world war, all these things are there to see in what is a more than usually attractive small German town. Albert himself stands proud above the billowing sausage stalls on the market square, but in many ways his brother, Ernest II, was an even more important figure. He represented a school of princely liberalism which offered a solution to the problem of German unity radically different from that eventually enacted by the Prussian kings and Bismarck.

Ernest II was the last of the Coburg dukes in the direct line. When he died Queen Victoria returned the favour and des-



Coburg: Queen Victoria went there many times. She loved the intimacy of it with her beloved Albert

patched a son to be duke. He was the sailor Alfred, Duke of Edinburgh. After the death of his only son he locked himself away in the garden's cottage at Schloss Rosenau and never re-emerged.

When the reclusive duke died in 1900 another duke had to be procured from Victoria's reserves. This was her grandson, the 16-year-old Charles Edward, Duke of Albany. As he spoke no German the Coburgs thought it a good idea to send him to the cadet school in Lichterfelde in Berlin where he could be close to his cousin, the Kaiser.

It is thought now that the last Kaiser turned the boy's head, for he became more German than the Germans themselves. His loyalties were severely tested by the first world war. In 1914, he resigned as a colonel of the Seaforth Highlanders. Three years later he went even further and decreed that no more Englishmen could inherit the duchy of Coburg. This decision, preceded by several months his cousin George V's renunciation of Saxe-Coburg and Gotha, and

adoption of the name Windsor. The duchy had only a few more months to live before it succumbed, with all the other German principalities, to the revolution. Although a private individual now, Charles Edward still enjoyed the love of his Coburgs, and with their consent he made the town into a haven for the German right.

In 1922, Hitler made his first visit and swastikas hung from the gates. Charles Edward never lost his faith in the *Führer*. In 1932, he became head of the German Red Cross. This position allowed him to undertake propaganda missions for the Nazis. It was he who was entrusted with the job of ensuring good relations with his cousin, the Prince of Wales, later Edward VIII and the Duke of Windsor.

After the war, Charles Edward was interned by the Americans and lived a miserable existence in one of their camps until his sister, Princess Alice of Athlone, convinced the authorities to release him. He survived until 1954, blind but unbroken, still

speaking German with an English accent, in the chauffeur's house at Schloss Callenberg.

His grandson, Prince Andreas, speaks with an American accent. He spent his childhood across the Atlantic after the war. He is frank about Charles Edward, and feels that it is the legacy of his anti-English gestures and involvement with the Nazis which prevents his cousin Queen Elizabeth from visiting Coburg.

She is the only one who won't. The other cousins are often in evidence: her husband and sons have made the journey, like the kings and queens of Belgium, Sweden, Spain and Norway and the pretenders to the thrones of Portugal and Romania. They all enjoy the friendly atmosphere of a little place which, in its heart of hearts, is very aware of its own importance.

■ *Giles MacDonogh stayed at the Coburger Tor hotel in Ketschen-dorfer Strasse 22, Coburg (tel: +49 9381 250 74) which is also the town's best restaurant. Lufthansa flies twice a day to Nuremberg from London Heathrow.*

update.

□ **LITTLE LEARNING:** If being a beach bum is boy, try a holiday with Art History. Art History 101 provides accommodation, travel and tutors. A-level courses in Florence, architectural tours of Rome, Roman ruins, Dutch painting in Amsterdam... You don't have to have studied art history before, and you can have your tailor-made.

□ **OPEN TO ALL COMES:** Of the 50m people with disabilities in the European Union, 36m are able to travel and a booklet called *All G* aims to provide them with details of UK hotels and restaurants which can accommodate them. £4.95 from bookshops or publishers. BKG Group (0171-385 233).

□ **AS SHE IS SPOKE:** Swahili has 50m speakers but "safari" is the only word it has made it into English. The rest, Subiri kidogo, nitaaribu kufufua katika kitabu hiki ("Wait - I'll try to find it in this book"). Lay Planet's new Swahili phrasebook, £3.99.

□ **EAT AND RUN:** Bright winter Sundays by taking a brunch or afternoon tea (and a book) to the park. Stroll through the carriage 2½-hour trip on Orient Express's British Pullman. Victoria station costs £39. 0171-805 5100.

□ **EUROSTAR** launches overnight train to the Alpine ski resorts of Moutiers, All Pigne and Bourg St Maurice, leaving Friday evenings. 0171-822 8030.

John Westbrooke

Getting stuck in at the Pig Trough

Karl Senn looked positively happy as he rushed around serving piping hot mountain food and endless schnapps. "I wasn't expecting so many people," he said anxiously. "I have hardly any staff."

After a morning skiing untracked St Anton powder, my huge plate of Tiroler *Bauerngröstl*, diced pan-fried potatoes mixed with ham and bacon, was as deliciously satisfying as the skiing.

With the earliest heavy snowfall in St Anton for more than a decade - repeated in many Austrian and Swiss resorts - the feel-good factor could hardly have been higher. "If I were booking a ski holiday, as long as there was good snow, December is when I'd do it," said my Danish-born guide Jens Bormann.

In between forkfuls of *Berner Würstl* (sausage stuffed with cheese and wrapped in bacon) he continued: "There's a great ambience in the resort, everyone's fresh and unstressed. There's so much snow - natural combined with a big increase in snow-making - we could have opened two weeks ago."

"Just look around the balcony. On a day like this in February you just couldn't get a seat."

I had resolved, on this opening weekend of the season, not to ski but to wander the streets of St Anton instead, watching others prepare for curtain-up. Fat chance.

"You have come all this way not to ski - with all this wonderful snow?" said the incredulous Wilma Himmelfrundspointer from the tourist office. Protest was useless. Within 15 minutes the Alber rental shop had thrust me into the state-of-the art tools of my trade, and Borgeas was itching to get at the powder.

We enjoyed a couple of warm-up runs in the mist at Gelzig waiting for the spectacular Schindlergrat chair to open, and then we headed for untracked powder. Our first run, into the Schindler-

kar, was down a steep snowfield which had scarcely been sullied. We rushed to reboard the *Schindlergratbahn*. On the way to the top, Jens pointed out *Schweinstraße* - a run which translates as "pig trough".

"Maybe we should do something there?" he said. "Are you hungry? Maybe we'll do it just before lunch." We turned left at the top this time, and instead of continuing down the long trail towards Stuben, we cut left along the high *Schneiderhänge* traverse overlooking the *Überhütte*, where huge flanks of un-skied powder awaited us.

Although the snow cover was unusually good, the odd rock lurked below the surface

Borgnaes took off with a whoop. I followed him down, turning his tracks into respectable eight's. Now I was ready for the Pig Trough.

Hardly had we gorged ourselves on the first few turns than Borgnass ripped the bottom of one of his new Salomon X-Screams on a rock. Perhaps we had been over-enthusiastic in our attempts to relish the first day of the season.

Although the snow cover was unusually good, even on the classic off-piste areas below the Valuga, there was obviously still the odd rock lurking just below the surface. We skied down to *Strisbachtail*, the homeward-bound run nicknamed Happy Valley, and called it a day.

That night we strolled past pre-Christmas stalls along St Anton's pedestrianised main-street to the inevitable strains of "Silent Night". High above us, snow-cannons sprayed their icy contents into the night air. A newly com-

structed lake means the resort has almost unlimited supplies of water this season for snow-making.

Outside many of the shops were arrangements of potted fir trees with red and gold ribbons. Wreaths and gold-painted candles and other Christmas decorations were being unloaded outside hotels. Swedish staff from the Drop-In night-club were selling *Glimwein* and gingerbread biscuits.

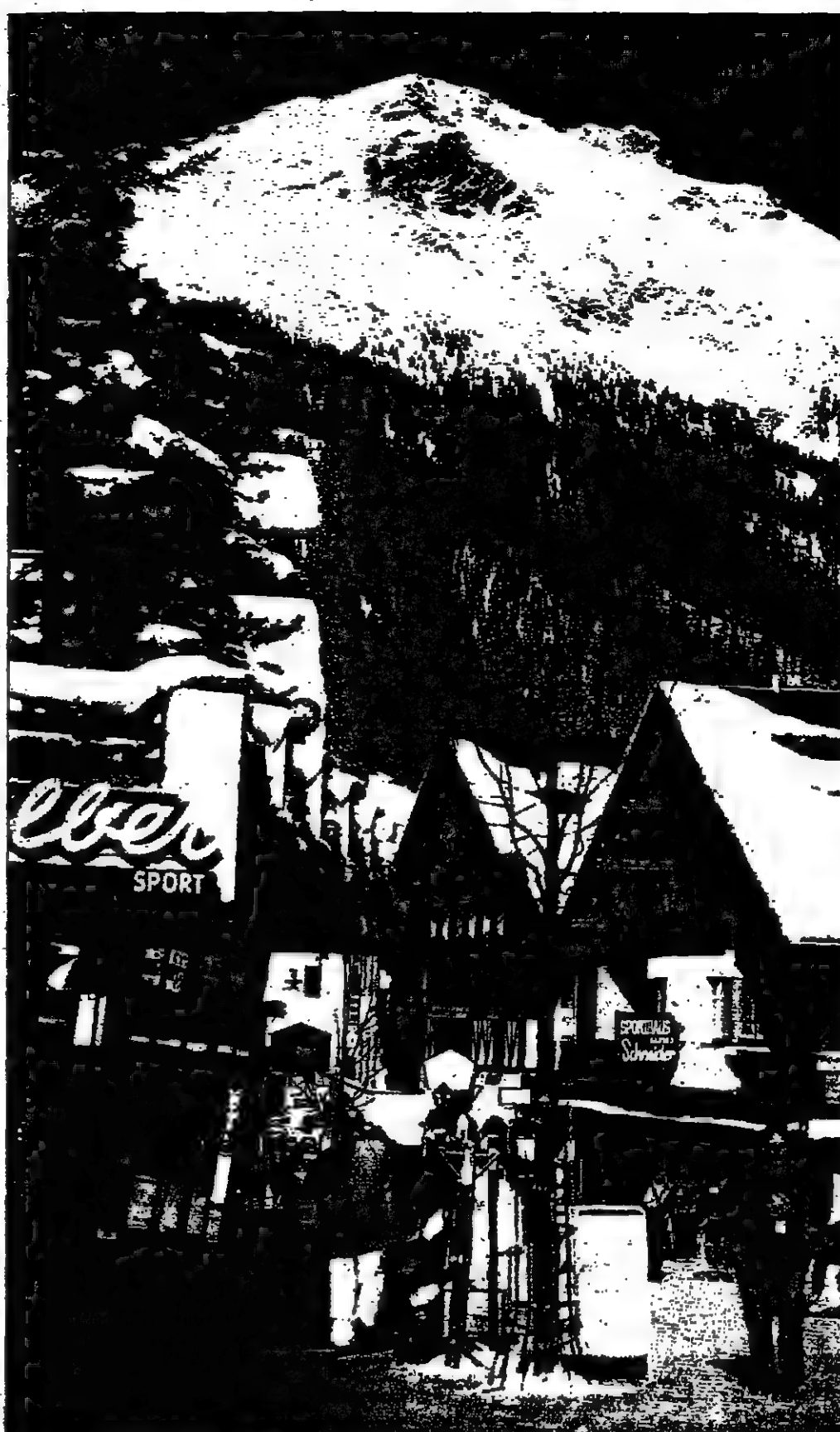
Opposite, the Harlekin restaurant lured passers-by with fascinating film-clips of pre-war St. Anton (including superb slow-motion sequences of Hannes Schneider, "father" of the Arlberg ski technique, pivoting on his poles in mid-air) and bowls of steaming *Schupfnudeln* (noodles with sauerkraut and ham).

Everywhere night-clubs were advertising season-opening parties. But would skiers have the energy to attempt? "Après-ski on the slopes is becoming more and more important," said Himmel-freundpointer. "Skiers tend to stay on the mountain longer, drinking at mountain huts and skiing down at dusk. Sometimes they are so exhausted they don't go out again in the evening." This, of course, does not dampen the enthusiasm of those who do.

Indeed, one of St Anton's jokes is that when the resort moves its railway station from the centre of town to the Rendl side of the resort in the autumn of 2000 – in time for the World Alpine Championships – it will have little effect on the noise levels in town since the guests' brouhaha is considerably louder than the odd passing train.

At the moment, it looks set to be a vintage season.

■ **Arnie Wilson's visit to St Anton** was organised by the Austrian Tourist Office, 14 Cork Street, London W1K 1PF. Tel: 0171-629 0461. He flew to Zurich with Swissair, and continued his journey to St Anton by train. He stayed at the four-star Grieshof Hotel.



St. Anton's high street: the area has had its heaviest heavy snowfall for more than a decade

Movers and shakers

■ Need a private jet to take your mother Christmas shopping in Paris? Or a helicopter at 3am to catch the last roll of the dice at the casino in Monte? Want to be fixed up with a yacht in St Tropez at a moment's notice?

Of course you do. In which case, you will need a Mr F&T. It could be Sean Shelley, director of Shelley Ashman International, a company which prides itself on running a discreet and personal travel service 24 hours a day.

From wealthy families, pop stars, musicians or captains of industry who need to move at short notice, the company will arrange your requests, no matter how bizarre, without batting an eyelid, so it says.

Shelley utilizes personal contacts throughout the world to get jobs done. Each customer is assisted by a named individual who will take care of needs and requests personally. Each client is promised a progress call within 10 minutes of his or her initial request.

"Sean is yet to disappoint," says the company's spokeswoman.

And the scale of charges? I think it's fair to say that if you need to ask you can't afford it.

☐ Shelley Ashman
International, New Barn Farm,
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Berkshire, RG7 6EF. Tel:
01189-714714.

■ For those who travel by more conventional means abroad, particularly to northern France, Hoverspeed is providing an hourly shuttle on its Dover-to-Calais hovercraft service next year. There will be 14 return departures a day during peak periods, with flights on the hour every hour from 8am to 9pm. A new fast check-in procedure should give a motorway-to-motorway time of just 50 minutes. The company is also increasing frequency on the Folkestone-Boulogne SeaCat Service, with up to six returns daily. Tel: 08705 240241.

Jill James

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SPORT / MOTORING

Horse racing

Bloodstock HQ hardly a foal's paradise

Colin Cameron charts the risks facing 'pinhookers' who buy and sell at Tattersalls auctions at Newmarket

In a good time for tonight's National Lottery draw, the last of more than 2,600 horses passed through the auction ring at Park Paddocks, Newmarket, in Suffolk, yesterday, bringing to a close the two-week Tattersalls' December sales and the town's own season of speculation.

About 1,000 of the latest draft were foals, all sold without names. No real hint in the catalogue, either, of the potential trouble they might bring to those who bought them. Calling them all *carpet emperors* would just about cover it.

Tattersalls is the centre of Europe's bloodstock market and its December sales, which open with four days of foals, draw some of the bloodstock world's biggest gamblers, the "pinhookers". This small band of specialists was busy last week buying weanlings, some barely six months old, with the intention of reselling them again next year as yearlings at the ripe old age of one.

Pinhookers play the market because they believe that they can pick out foals who will develop, by next autumn's auction season, into yearlings full of racing potential and attractive to the market. If a foal does, indeed, go "the right way" physically it can mean a handsome profit.

But foals mean risk. With foals, what can go wrong will. The front legs can grow faster than the hind set. Or neither pair can grow at all. Physically, it's largely nature's call. Then there is the curse of youthful exuberance. A paddock can seem the perfect nursery for the young, until you leave a foal in one.

It is not only the potential physical improvement of a foal in the months ahead that concerns its pinhooker. Bloodstock values are based on pedigree as well as looks. While a foal is happily flowering in a field, older siblings are hopefully winning at the track. Pinhookers pray that family exploits create premium demand for their own investment one year on.

And, of course, don't forget the effect on bloodstock values of the economic climate. Pinhookers cannot really hedge against a market crash or currency wobble.

I knew all this in 1991 when I took a share of two weanling filly in a syndicate venture. But,

like most pinhookers, it didn't stop me, either.

The foals, "my" foals, together cost 5,500 guineas at the same Tattersalls auction, seven years ago. One was a daughter of the former top-class racehorse Persian Heights, out of a mare called Snowbird, the other by Common Grounds, out of Final Decision.

The daughter of Persian Heights would become Persian Snow. A better name for her might have been "Tattersalls". The other filly was eventually registered as Sweet Decision by her new owners, a confident billing. For the pair, the racecourse was a long way off when they arrived at Shaullara Stud and the care of Simon Hanson, their purchaser and surrogate parent for the year. For Persian Snow, there were problems almost immediately. First, she showed signs of colic. An infection then developed around her navel which had to be drained of pus.

Come the spring, and wrapped in three blankets with bandages round all four legs to keep her warm, Persian Snow did not exactly look like she would make an attractive sales offering later in the year.

As Persian Snow recovered, her family was at least doing its best to boost her market value. Fyfield Flyer, her maternal brother, aged two, won a brace of good races and was shaping up well for a crack at prestigious autumn events. Come the sale, Persian Snow's pedigree was at least hot.

But ultimately Fyfield Flyer flopped at Ascot as favourite in the Cornwallis Stakes on the Saturday before his sister's big day at the Tattersalls October Yearling sales. So did the market. Day one of the auction was later billed as bloodstock's own "Black Monday". Persian Snow was knocked down to Epsom trainer Brooke Sanders for a modest 5,600 guineas.

Sweet Decision's turn in the ring came after Persian Snow in November, at the less prestigious Tattersalls Autumn Yearling Sale. Health-wise, Sweet Decision had been her paddock companion's opposite. And she had grown, but only erratically. As a yearling she was no natural athlete.

She saved her own mini-drama for the month before sale time. During October, Sweet Decision



Gambling on winners at yearling auctions in Newmarket can be a greater risk than betting on the track. *Ther Jones*

threw a "split", which meant she developed a bone growth on her leg between knee and fetlock.

The final bid for the filly was a reflection that this aesthetic imperfection can cut a yearling's value by up to 50 per cent - and the sparse crowd which gathered for her sale. Sweet Decision was Reg Payne's for just 1,400 guineas. Sold didn't seem the right word as she departed for her new home in Somerset with Michael Williams, Payne's trainer.

Practically giving away Sweet Decision did not help smooth the emotional farewells every pinhooker endures at this point of separation. But for Persian Snow worse was to come. The news was as abrupt as the blow of the auctioneer's gavel. In the spring, having shown promise on the gallop, she died without warning. The adage, what can go wrong, will, applies to

young racehorses, as well as to foals, in this case fatally. A sad end to just another pinhooker's hard luck story? Yes, but only half so. The bloodstock wheel of fortune barely ceases revolving for tragedy.

Soon after Persian Snow's disappointing end, there was word from Sweet Decision's West Country stable. The filly, whispered those in the know, was an even bigger steal than her sellers first feared.

Aged two and hyped, Sweet Decision made a promising racecourse debut. Soon she won at Leicester. Although I viewed it only from the betting shop, I still felt compelled to tell the cashiers proudly I used to own her as a foal. Whenever she finished in the frame during two more seasons' racing, I told anyone nearby my part in her success.

At four came retirement to the paddocks for the challenge of motherhood. Since then, Sweet Decision has been back in Han-

son's care. With time, nature has been kind. And there have been foals. Two to date, the second of which was sold for 30,000 guineas last week. Like its mother, at the December sales to pinhookers.

Sweet Decision herself was also back at Newmarket. After the opening week's foals, and the weekend off, selling resumed on Monday for five days - 1,400 filly and older mares, with a fair proportion in foal themselves.

This time Sweet Decision entered the ring as "believed" pregnant to Entrepreneur, the 2,000 Guineas winner of 1997 now at stud in Ireland. She faced the market on Wednesday morning as Lot 1,864.

Someone bid 50,000 guineas, but that was less than her reserve. She came a long way, has Sweet Decision. Once a pinhooker's gamble, now a mare with a name, looks, pedigree and the next generation already on the way, she wasn't going to be given away again.

Michael Thompson-Noel

Runaway success

As my friends are entering next year's London Marathon, or trying to, for it is becoming harder to gain a place on the starting line. I live in Notting Hill, London's coolest neighbourhood, which need to despise the marathon, but now everyone in NH wants to be among the 30,000 runners next April 18.

I was in the gym the other evening, growling on the treadmill, when I noticed that the man on the next machine was running at least 3/4 times faster than I was. Name of Joseph. Exceedingly hairy-chested.

Later, when we were doing our stretching, I asked Joseph if he was a professional runner. It was that or a serial killer, I thought. "Yes," he said, in thick, zero-temperature Russian. "Am training for London Marathon. And you, my blond friend?"

"Oh, nothing much," I said, gazing at myself in a full-length mirror and wiggling my hamstring. "I'll be doing the 2000 Olympics" - I did not say which events - "and then calling it a day." Joseph was impressed. We have become close buddies.

This week the organisers of the London Marathon reported a 15 per cent increase to about 30,000 in applications from those wanting to compete. As well as my friend Joseph, they include Brazil's world marathon record-holder, Ronaldo de Costa; two-time London Marathon winner Antonio Pinto; and Olympic champion Josia Thugwane. But, obviously, they also include thousands of hopelessly uncool parvenus, which is why you won't be seeing me in the London Marathon.

The Maldives, a cluster of Indian Ocean coral islands, was the smallest nation competing at the Asian Games in Thailand. But they have been booted out without succeeding in their humble aim of winning a single soccer match. There are only about 250,000 Maldivians - all of them soccer-crazed - and they watched nervously as their team competed in the Bangkok preliminaries. But it all came to naught.

So keen are the Maldivians on soccer that they chartered four Indian cargo ships to bring tons of extra sand and thousands of slabs of green grass to make proper soccer fields in the capital, Male. On other islands, players wait for low tide so they can get more space in which to play.

"I worked hard on the team for the Asian Games," said coach Solokho Vyasalay this week. "I tell them: don't eat so much rice, eat more protein. But every time I see them dining, I look at their plates and there is the heap of rice."

In Bangkok, there was a tiny Maldivian consolation. Their team lost 4-0 to Qatar and 3-0 to Tajikistan, but that was better

than Mongolia's 15-0 rout by Uzbekistan.

This week the Associated Press news agency asked its international subscribers to nominate the top sports stories of 1998. The AP listed a range of big stories in random order. Perhaps you thought 1998 was a quiet year, sportswise. But it wasn't, as this abridged (and slightly rewritten) version of AP's poetical list demonstrates.

France wins soccer World Cup after Brazil flop in final - *my*, very over Ronaldo. Rupert Murdoch's BSkyB offers \$1bn for Manchester United. European soccer in turmoil over proposed Super League.

Mike Tyson regains boxing licence. Evander Holyfield, Lennox Lewis move towards heavyweight title unification bout. Marion Jones dominates women's athletics.

Mark O'Meara wins two golf majors but Tiger Woods still No 1. Colin Montgomerie wins Euro golf's money title for sixth straight year. Pete Sampras again triumphs at Wimbledon but struggles against Rios and Rafter for top slot. Sweden beats Italy in Davis Cup final. Doping scandal wrecks cycling's Tour de France, triggering new anti-doping initiatives.

Irish swimmer Michelle De Bruin banned for four years for tampering with drugs sample. Mike Hakkinen wins motor racing's Formula One title. South Africa sets rugby union record. Bribery allegations in Pakistani cricket. England rallies to win Test series against South Africa. 1998-99 NBA season threatened by lockout. Michael Jordan leads Chicago Bulls to another NBA title - *contemplates retirement*.

US major league baseball star Mark McGwire hits record 70 home runs, but is criticised for using androstenedione. New York Yankees win record 115 games and World Series. Detroit Red Wings capture second straight Stanley Cup. Sweden takes World ice hockey championship. Denver Broncos win Super Bowl, ending NFC domination.

Canadian snowboarder at the Nagano Olympics stripped of gold medal for positive marijuana test, then reinstated. Hermann Maier dominates men's skiing with Olympic gold and World Cup overall title. Alberto Tomba retires.

Awesome Again wins Breeders' Cup Classic while Real Quiet takes Kentucky Derby. Three horses die as Earth Summit wins notorious Grand National steeple chase at Aintree racecourse, Shrewsbury.

Quite possibly, the grisly deaths of these three horses at Aintree will be seen, in retrospect, as one of the biggest international sports stories of 1998, and help bring closer the belated day when British jumps racing is banned.



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Motoring

Vroom with a view

Stuart Marshall charts the irresistible rise of people carriers



Mitsubishi's Space Wagon: silky-smooth, spacious and economical

seating position appeals, as with 4 x 4 sports utilities, because it gives a commanding view of the road and makes women drivers feel they are less likely to be belittled by aggressive males.

In the mid-1980s, when MPVs were the choice of a tiny minority only in Britain, Renault dominated with the Espace. Then, three years ago, Ford moved in with the Galaxy and Espace became an upmarket niche product. Galaxy, together with its near-identical VW Sharan and Seat Alhambra stablemates, swept ahead.

Together, Galaxy, Sharan and Alhambra, all made in a joint-venture plant in Portugal, have scored 18,495 UK sales so far this year compared with 2,763 Espaces.

But Renault, aware that not every family drawn to an MPV needs or can afford one as large as a Galaxy or Espace, launched the Mégane Scenic 18 months ago. It was a masterstroke. Scenic, no bigger overall than a Mégane hatchback but much roomier, with five seats that can be moved around or taken out, was an instant success.

Of more than 75,000 MPVs sold in Britain this year, more than 32,000 have been Scenics. The popularity of MPVs seems bound to increase. Car-leasing companies report that one company fleet in four now offers them.

What is the attraction, apart from a huge amount of interior space? The high

with sliding passenger doors are particularly easy to load or unload when they are parked in a multi-storey.

For me, the main snag with an MPV is that making full use of their versatility involves taking some of the seats out. I find this objectionable on two counts. Despite what the manufacturers say, the seats are usually awkward to remove and in some cases so heavy to handle you could do yourself a mischief.

And what on earth do you do with them if you need to convert your seven-seater into a load-carrying five-seater on the spur of the moment? This could easily happen. If you wanted to carry home a piece of furniture you happened to spot in an antique shop many miles from home, you could hardly leave the seats behind. The Honda Shuttle was an hon-

ourable exception because its third row of seats folded down into the floor at the touch of a button. This will also be a feature of the medium-sized Vauxhall Zafira, soon to make its debut.

Earlier this month, I sampled two of the latest MPVs to reach Britain - the third-generation Mitsubishi Space Wagon and the Chrysler Grand Voyager turbo-diesel. The Space Wagon was powered by Mitsubishi's 2.4-litre, 147-horsepower GDI (gasoline direct injection) engine which approaches diesel economy if driven on a light throttle and is a silky-smooth performer. Average fuel consumption should be close to 30mpg (9.4l/100km).

Styled to look more like a car than a van, it has a roomy interior with six or seven seats, according to model, and a low enough roof to cross the Channel in Le Shuttle's double-deck wagons. The optional auto-

matic transmission has electronics that detect different driving techniques and adapt shifting points to suit.

On the French autoroutes it cruised quietly at 130kph (81mph) with a great deal of power in hand and the nicely weighted power-assisted steering made town driving and manoeuvring in tight places effortless. The ride was particularly good. Lightly loaded, the Space Wagon dealt shock-absorbently with rough lanes and glided over sleeping policemen. Heavily loaded, the suspension felt a little firmer but the Space Wagon was just as comfortable, and handled with the same car-like confidence.

Prices of the Space Wagon start at £17,795 for a GL manual seven-seater and go up to £22,495 for an automatic only GLS with six individual seats. All models have twin airbags, on-board computer, power-operated windows and door mirrors and three-point belts for each seat. The GLX and GLS versions have air conditioning and anti-lock brakes. A satellite navigation system with full-colour, eye-level read-out is a £999 optional extra on any Space Wagon.

The Chrysler Voyager and Grand Voyager are for buyers - the UK prime minister among them - who reckon that if you are going to have an MPV, it might as well be a really big one. Until now, the choice of engine has been limited to a petrol 2.5-litre four-cylinder or a 3.2-

litre V6. The former felt overworked, the latter was muscular but rather thirsty for Europeans paying four times as much as Americans for their petrol.

So, Chrysler has just introduced much more frugal versions of both five-seat Voyagers and seven-seat Grand Voyagers, powered by an indirect-injection 2.5-litre turbo-diesel engine from Italy. Typically, it produces ample pulling power at quite low revs, allowing a light-footed driver to achieve up to 35mpg (around 8l/100km). Only manual transmission is available but the five-speed gearbox is pleasant and, used freely, provides brisk acceleration. High gearing allows a 30mpg per 1,000rpm in fifth - makes motorway cruising as relaxed as it is economical.

The Grand Voyager 2.5 TD I tried was massively capacious. It was easy to drive, I rather van-like, with the turbo-diesel sounding refined, providing it was not allowed to labour in high gear. Prices of these very large MPVs, which are made in the US but assembled in Austria, are spectacularly competitive, starting at £19,820 for a Voyager, and £21,920 for a Grand Voyager.

They include air conditioning, anti-lock brakes, power-adjustable and fold-flat door mirrors and captain's chairs (they swivel round to face backwards) for driver and front passenger.

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INTERNATIONAL ARTS GUIDE

What's on around the world

AMSTERDAM

EXHIBITIONS

Rijksmuseum
Tel: 31-20-673 2121
● **Adrien de Vries (1586-1626):** Imperial Sculptor. Major exhibition celebrating the work of the Dutch sculptor, who worked for Emperor Rudolf II and other European courts. Around 40 bronzes will be on display, borrowed from public and private collections in Europe and the US; from Dec 12 to Mar 14.

● **Shaluda: display of Asiatic objects** highly popular in Europe and imported in large quantities by the Dutch East India Company. Mainly they were luxury goods such as sword hilts and tobacco boxes; to Apr 6.

● **The Festival of Lithography:** celebration of the 200th anniversary of the discovery of lithography. Includes works from the collection by Toulouse-Lautrec, Cézanne, Manet, and Dutch artists including Van Gogh; to Jan 10.

● **Van Gogh in the Rijksmuseum:** during the period of the Van Gogh Museum's closure for renovation and building work, a selection of its finest holdings will be exhibited in the Rijksmuseum's South Wing; to Mar 7.

OPERA

Nederlandsche Opera, Het Muziektheater
Tel: 31-20-551 8911
The Queen of Spades: by Tchaikovsky. Conducted by Semyon Bychkov in a new staging by Lev Dodin; Dec 14, 17.

BARCELONA

EXHIBITIONS

Fundació Joan Miró
Tel: 34-93-329 1908
www.bcn.fundamiro.es
Magritte: exhibition celebrating the centenary of the artist's birth. Includes more than 90 paintings and 50 photographs; to Feb 7.

Pablo Picasso

Tel: 34-3-319 6310
● **Pablo Picasso - Engravings 1900-1942:** temporary exhibition with more than 250 works from the Musée Picasso in Paris. It presents Picasso's engravings as a diary, and follows the different themes and techniques that informed his work; to Apr 4.

BERLIN

CONCERTS

Konzertsaal
Tel: 49-30-203090
● **Berlin Symphony Orchestra:** conducted by Otto Rutherford in Mendelssohn's Paulus oratorio, with the Pro Musica Choir; Dec 12.
● **Recital by soprano Felicity Lott and mezzo-soprano Ann Murray,** of works by Purcell, Schumann and others. With pianist Graham Johnson; Dec 17.
● **Rundfunk-Sinfonieorchester Berlin:** conducted by Robin Gritton in Handel's Messiah, with the Rundfunkchor Berlin; Dec 14.

BIRMINGHAM

EXHIBITION

Birmingham Museums and Art Gallery
Tel: 44-121-235 2834
Sir Edward Burne-Jones: comprising more than 200 works, including tapestries and jewellery as well as paintings; to Jan 17, then touring.

BONN

EXHIBITION

Kunst- und Ausstellungshalle der Bundesrepublik Deutschland
Tel: 49-228-917 1200
www.kah-bonn.de
High Renaissance in the Vatican: Art and Culture at the Papal Court (1503-34). The early 16th century saw Rome establish itself as the centre of art in Europe: the Vatican commissioned work from such great artists as Leonardo da Vinci, Michelangelo and Raphael. This exhibition displays some of the masterpieces that resulted, as well as explaining the contexts in which they were produced; to Apr 11.

CHICAGO

EXHIBITION

Art Institute Of Chicago
Tel: 1-312-443 3600
www.artic.edu
Mary Cassatt: Modern Women. 125 paintings, drawings and prints by the only American invited to exhibit in the Impressionist exhibitions in Paris. Closely associated with Degas, Monet, and Pissarro, in later life she became a celebrated collector and patron; to Jan 10.

OPERA

Lyric Opera of Chicago
Tel: 1-312-532 2244
www.lyricopera.org
Rise and Fall of the City of Mahagonny: by Kurt Weill, libretto by Bertolt Brecht. Conducted by Sylvain Cambreling, with a cast including Catherine Malfitano and Kim Begley; Dec 13.

DUBLIN

THEATRE

Abbey Theatre
Tel: 353-1-878 7222
● **Rivals:** by Sheridan. New production directed by Brian Brady and designed by Conor Murphy, with lighting by Trevor Dawson; to Jan 23.

FLORENCE

EXHIBITION

Palazzo Pitti
La Dame à l'Émail: Leonardo da Vinci's 1489 portrait of the young mistress of Duke Ludovico of Milan



Hans Memling's portrait of Maria Portinari, in the 'Van Eyck to Bruegel' exhibition at New York's Metropolitan Museum of Art

travels to Italy for the first time since 1900; from Dec 16 to Jan 24.

FRANKFURT

EXHIBITIONS

Städt. Kunsthalle
Tel: 49-69-259 8320
● **Alberto Giacometti: retrospective** of work by the Swiss sculptor and painter. Also featuring prints and drawings, the exhibition charts Giacometti's artistic output from his early years in 1920s Paris to his death in 1966; to Jan 3.

● **Treasures from King Zhao Mo: King Zhao Mo's tomb, sealed in 122 BC,** was accidentally discovered in 1983 by construction workers. This exhibition displays the many treasures buried there, the first time they have been seen in the west; to Jan 22.

OPERA

Oper Frankfurt
Tel: 49-69-21237 999
www.frankfurt-business.de/oper
● **Die Zauberflöte:** by Mozart. Conducted by Guido Johannes Rumschütz in a staging by Alfred Kirchner. With a cast including Britta Steinhilber and Kirsten Blau; Dec 12.
● **Eugene Onegin:** by Tchaikovsky. Conducted by Catherine Rückwardt in a staging by Rosamund Gilmore, with sets and costumes by Carl Friedrich Oberer; Dec 13.

HELSINKI

OPERA

Finnish National Opera
Tel: 358-9-403 021
Anna Bolena: by Donizetti. Conducted by Maurizio Barbacini in a new staging by Jussi Tapola, with designs by Anna Kontek. The title role is sung by Rikita Hakola/Cynthia Makris; Dec 14, 17.

HONG KONG

DANCE

She Tin Town Hall
Swan Lake: by Tchaikovsky. Performed by the Kirov Ballet; Dec 12.

HOUSTON

EXHIBITION

Museum of Fine Arts, Houston
Tel: 713-639 7750
www.mfa.org
● **Brassai: The Eye of Paris.** A retrospective of Brassai's work that coincides with the 100th anniversary of his birth. Includes photographs taken during nocturnal wanderings with the flâneur and poet Léon Paul Fargue; to Feb 28.

LAUSANNE

EXHIBITION

Musée Cantonal des Beaux-Arts
Tel: 41-21-312 8332
Courbet - artist and promoter: more than 70 paintings by Gustave Courbet (1819-77), including landscapes, portraits and nudes. The exhibition concentrates upon Courbet's artistic output after 1855, especially that produced during his exile in Switzerland; to Feb 21.

LISBON

EXHIBITION

Fundação Arpad Szenes - Vieira da Silva
Tel: 351-1-388 0044
Alberto Giacometti: Arpad Szenes and Vieira da Silva met Giacometti in the 1930s, through gallery owner Jeanne Bucher. The 19 sculptures and 20 drawings on display here are loaned by the Mesquita Foundation, Saint-Paul, and include such famous pieces as Femme de Venise and Homme qui marche; to Jan 31.

LONDON

CONCERTS

Barbican Hall
Tel: 44-171-638 8891
www.barbican.org.uk
● **Candide: the Inventing America** series continues with the London Symphony Orchestra, conducted by Kent Nagano, presenting a concert performance of Leonard Bernstein's 1955 musical. Cast includes Patricia Routledge; Dec 18.
● **London Symphony Orchestra: Sir Colin Davis conducts a series of works** by Elgar; Dec 13.

EXHIBITIONS

National Gallery
Tel: 44-171-939 3321
Mirror Image: Jonathan Miller on Reflection. Show exploring the representation of mirrors in art, curated by Miller and featuring loans from public and private collections; to Dec 13.

Royal Academy of Arts

Tel: 44-171-300 8000
● **Picasso: Sculptor and Painter in Clay.** This first major exhibition of Picasso's ceramics will include around 100 pieces, many of which have never before been exhibited; to Jan 1.
● **The Au Bak Ling Collection: 100 Masterpieces of Imperial Chinese Ceramics, 12th to 18th Centuries.** Includes works from the Song, Yuan, Ming and Qing dynasties; to Dec 20.

Tate Gallery

Tel: 44-171-887 8000
● **John Singer Sargent: large-scale** retrospective containing 150 paintings, including major public and private loans. Includes late landscapes and American and British society portraits; to Jan 17.
● **Turner in the Alps: undertaken in 1802,** this was Turner's first visit to continental Europe. The exhibition contains 68 works on paper, revealing the artist's initial impressions of the landscapes he encountered; to Feb 14.

Victoria and Albert Museum

Tel: 44-171-938 8500
● **Aubrey Beardsley: more than 200** drawings, prints, posters and books created during the brief period of the artist's fame; to Jan 10.
● **Gordon Gibson and the Art of Carving:** drawings, carvings and religious reliefs are displayed alongside the Cosmo panel, commissioned by Charles II and the woodcarver's masterpiece; to Jan 31.

OPERA

English National Opera, London Coliseum
Tel: 44-171-632 8300
La Traviata: by Verdi. Jonathan Miller's production includes Sandra Ford and Christopher Booth-Jones among the

Magritte; to Feb 7

NEW YORK

EXHIBITIONS

Guggenheim Museum
Tel: 1-212-423 3500
www.guggenheim.org
1989, Rendezvous: In their holdings of artworks from 1900 to 1945, the Guggenheim and the Centre Georges Pompidou are remarkably similar, with one often owning a preliminary study for a painting in the collection of the other. The closure of the latter museum has created the occasion for this exhibition, which brings together related works by the same artist, or works by different artists on the same theme; to Jan 24.

Metropolitan Museum of Art

Tel: 1-212-579 5500
www.metmuseum.org
● **Clay Into Art: Selections from the** Contemporary Ceramics Collection. 61 pieces from the museum's collection, demonstrating the breadth of style characteristic of post-war ceramics; to May 30.

● **Degas Photographs:** bringing together 35-40 photographs, most of which were made in the 1890s. Mainly they are figure studies, self-portraits and portraits of the artist's circle; to Jan 3.

● **From Van Eyck to Bruegel: Early** Netherlandish Paintings. Almost 100 paintings from the collection, exhibited together for the first time; to Jan 3.
● **Heroic Armour of the Italian** Renaissance: Filippo Negroli and His Contemporaries. Includes more than 60 richly decorated suits of armour, worn by Renaissance kings and captains. Includes public and private loans; to Jan 17.

● **Letters in Gold: Ottoman** Calligraphy from the Selk Sabanci Collection, Istanbul. 70 objects ranging from the 15th to the 20th century; to Dec 13.

● **Louis Comfort Tiffany: celebrating** the 150th anniversary of the artist's birth, this exhibition, drawn from the museum's collection, includes leaded-glass windows and lamps, vases, furniture, enamels and jewellery; to Jan 1.
● **Mary Cassatt: Drawings and Prints.** Coinciding with a major retrospective at the Art Institute of Chicago, the Metropolitan Museum has organised an exhibition of most of its extensive collection of Cassatt's work; to Jan 24.

Museum of Modern Art

Tel: 1-212-708 9480
www.moma.org
● **Jackson Pollock: first US** retrospective of the Abstract Expressionist since 1967. Including more than 100 paintings and 50 works on paper, the show promises to be a highlight of the New York art calendar; to Feb 2, then transferring to London.
● **Miro's Black and Red Series: A** New Acquisition in Context. Joan Miro's 1938 Black and Red Series, consisting of 8 etchings, is a recent addition to MoMA's permanent collection. It is displayed alongside works by contemporaries including Dali, Ernst, Picasso and Man Ray; to Feb 2.

Pierpont Morgan Library

Tel: 1-212-685 0008
Charles Dickens - A Christmas Carol: the manuscript of Dickens's novel is the centrepiece of this holiday exhibition. Also on view are several other items relating to the work; to Jan 3.

OPERA

Metropolitan Opera, Lincoln Center
Tel: 1-212-362 6000
www.metopera.org
● **Die Zauberflöte:** by Mozart. Laura Aikin, Matthias Goerne and Franz-Josef Selig make their Met debuts in John Cox's production. Charles Mackerras conducts; Dec 14, 17.
● **La Traviata:** by Verdi. Production by Franco Zeffirelli with a cast including Ailyn Alvarez and Roberto Aronica. Carlo Rizzi conducts; Dec 12.
● **Lucia di Lammermoor:** by Donizetti. New production by Nicolas Josi. Ruth Ann Swenson sings the title role and Carlo Rizzi conducts; Dec 15, 18.

OTTAWA

EXHIBITION

National Gallery of Canada
Tel: 1-613-990 1985
Songs on Stone: James McNeill Whistler and the Art of Lithography. Around 200 works by the American expatriate, including drawings, etchings and paintings; to Jan 3.

PARIS

CONCERT

Salle Pleyel
Tel: 33-1-4681 6589
Orchestre de Paris: conducted by Wolfgang Sawallisch in works by Beethoven. With soprano Susan Anthony and mezzo-soprano Marjara Lipovsek; Dec 12.

EXHIBITIONS

Grand Palais
Tel: 33-1-4413 1730
Lorenzo Lotto: Rediscovered Master of the Renaissance. 50 paintings, many of them on loan from churches and museums in Italy; to Jan 11.

Musée d'Orsay

Tel: 33-1-4049 4814
www.Musee-Orsay.fr
● **Millet/Van Gogh: display of 85** works brought together to demonstrate the influence of Millet on the work of Van Gogh; to Jan 3.
● **Stéphane Mallarmé (1842-1898):** retrospective exploring the work of the French Symbolist poet, and his influential relationships with his contemporaries; to Jan 3.

Musée du Louvre

Tel: 33-1-4020 5151
www.louvre.fr
Portraits from Roman Egypt: touring exhibition of mummy portraits, originated at the British Museum. Painted on wooden panels, linen shrouds and plaster masks, they were

created during the first three centuries of Roman rule in Egypt; to Jan 4.

OPERA

Opéra National de Paris, Opéra Bastille
Tel: 33-1-4473 1300
www.opera-de-paris.fr
The Merry Widow: by Franz Lehár. Conducted by Armin Jordan and with a cast including Frederica von Stade and Hakan Hegagard; Dec 12.

Théâtre des Champs Élysées

Tel: 33-1-4952 5050
The Magic Flute: by Mozart. Jean-Claude Malgoire conducts and the staging is by Pierre Constant. With La Grande Écurie et la Chambre du Roy and the Maîtrise du Centre de Musique Baroque de Versailles; Dec 13, 15, 18.

PHILADELPHIA

EXHIBITION

Philadelphia Museum of Art
Tel: 1-215-763 8100
www.philamuseum.org
Delacroix: The Late Work. Organised to celebrate the 200th anniversary of the artist's birth, this exhibition, first seen in Paris, includes 70 paintings and 40 works on paper; to Jan 3.

PRAGUE

DANCE

National Theatre of Prague
Tel: 420-2-2108 0131
www.anel.cz/hd
The Nutcracker: by Tchaikovsky, in a staging by Russian choreographer Jurij Grigorovic, with sets and costumes by Simon Vrsaladz; Dec 17, 18.

OPERA

National Theatre of Prague
Tel: 420-2-2108 0131
www.anel.cz/hd
The Devil and Kate: by Dvorák. Conducted by Jan Stych in a staging by Marián Chudovský, with sets and costumes by Adolf Born; Dec 12.

THEATRE

National Theatre of Prague
Tel: 420-2-2108 0131
www.anel.cz/hd
The Servant of Two Masters: by Carlo Goldoni. Directed by Ivan Rajmont; Dec 18.

ROME

EXHIBITIONS

Palazzo delle Esposizioni
Tel: 39-06-474 5903
Valori Plastici: taking its title from that of a short-lived magazine published by Roman art dealer Mario Broglio, this show includes sculpture and paintings, mainly by Italian artists, but also including little-known works by Picasso, Klee and Grosz; to Jan 18.

Palazzo Ruspoli

Tel: 39-6-6830 7344
www.palazzoruspoli.it
The Denis Mahon Collection: last stop for the touring exhibition of more than 80 Italian baroque paintings collected by Denis Mahon. Includes works by Guercino; to Jan 15.

SAN FRANCISCO

OPERA

San Francisco Opera, War Memorial Opera House
Tel: 1-415-864 3330
www.sfoopera.com
Peter Grimes: by Britten. Conducted by Donald Runnicles in a staging by John Copley, with sets by Carl Toros. The title role is sung by Thomas Moser; Dec 13.

TOKYO

EXHIBITION

Metropolitan Museum of Photography
Tel: 81-3-3280 0031
Love's Body: Rethinking Naked and Nude in Photography. Includes works by Alfred Stieglitz, Robert Mapplethorpe and Catherine Opie; to Jan 17.

VIENNA

OPERA

Staatsoper
Tel: 43-1-51444 2960
● **Aida:** by Verdi. Conducted by Vioti, with a cast including Olga Borodina and Maria Guleghina; Dec 13, 16.
● **Le Prophète:** by Meyerbeer. Conducted by Vioti; Dec 12, 15.

WASHINGTON

EXHIBITIONS

National Gallery of Art
Tel: 1-202-737 4215
www.nga.gov
● **Bernini's Rome: Italian Baroque** Terracottas from the State Hermitage Museum, St. Petersburg; to Jan 18.
● **Edo: Art in Japan 1615-1868.** Consisting of almost 300 works; this exhibition provides a comprehensive survey of Japanese art produced during the prosperous and peaceful Edo period; to Feb 15.
● **Van Gogh's Van Goghs: 70** paintings loaned by the Van Gogh Museum in Amsterdam. Includes such icons as The Potato Eaters (1885); to Jan 3.

Phillips Collection

Tel: 1-202-387 2151
Impressionists in Winter: Effets de Neige. Inspired by Sisley's Snow at Louveciennes, this display includes 62 works from 44 collections; to Jan 3.

ZURICH

EXHIBITION

Kunsthaus Zurich
Tel: 41-1-251 6765
Max Beckmann and Paris: more than 100 masterpieces of modern art from public and private collections around the world; to Jan 3.

Arts Guide by Susanna Rustin
e-mail: susanna.rustin@ft.com
Additional listings supplied by
ArtBase, tel: 91-20-664 6441
e-mail: artbase@ft.com

FT WEEKEND



Arcadia

Meet me at the t-bar

Forget coffee, a tradition from the east is spreading westwards, says Gillian Cribbs

High on the craggy mountains of China's Fujian province grows a rare wild tea, highly prized for centuries by the Chinese.

It grew in such remote and inaccessible places that the monks in nearby monasteries are said to have trained wild monkeys to pick it - hence its name, Monkey Picked Oolong. The practice may have faded into legend, but a tiny crop of this pure, delicate tea is still harvested, making it one of the rarest and most expensive in the world.

But Monkey Picked Oolong, and 48 other exotic teas, is available to take away from the t-bar, Britain's first designer tea shop, which opened in London recently. The café, in Baker Street, is the brainchild of tea and coffee merchant Whitford of Chelsea, and is the first in a new wave of modern tea bars set to sweep the capital next year.

With its minimalist blue-and-white decor, chrome tables and beech floors, it is worlds away from the cosy, chimney image of a traditional tea shop. Emma Gray, assistant manager of the t-bar, says: "We try to cultivate an atmosphere of calmness and serenity... it's the opposite of the in-your-face ethos of US-style coffee bars."

Dressed in jeans, black T-shirts and trainers, Gray and her colleagues will give advice on the teas, which range from popular blends such as Earl Grey to the more exotic Gunpowder China, a green (unfermented) tea, and novelties such as Sticky Toffee Pudding tea ("all the taste without the calories"). A pot of speciality tea (two good cups) costs £2.50, while a "bottomless cup" of the house blend costs just £1. Cakes, sandwiches, fruit juices and (whenever it) coffee are also available.

Downstairs is a cavernous seating area with biro-style tables, bright squashy sofas and an alcove housing a low, oriental table. There, on a cold Saturday afternoon in November, two Japanese girls sitting on floor cushions were gracefully pouring pale tea into blue rice bowls.

In the corner, a young couple were poring over newspapers with a pot of Earl Grey, while a middle-aged woman was pouring Lapsang Souchong and busily forking chocolate cake into her mouth. With soft jazz music playing in the background, the atmosphere was at once calm and uplifting.

Giles Hilton, Whitford's "nose" - or chief tea selector - says the inspiration for the t-bar came from the traditional tea houses he has visited in China and Singapore. "Over there, the tea house is a place for contemplation, away from the bustle of life. It is a place to find stillness and inner peace."

Hilton says the British are now on the verge of discovering real tea: "We have come a long way in the last 15 years," he says. "Our eating habits have improved beyond recognition. Now people are looking at tea again."

His sensitive nose is able to distinguish not only between different kinds of tea, but also slight variations in conditions under which the crop is harvested, such as whether it rained on the day the tea was picked.

"An individual state, Darjeeling is like a chateau-bottled wine - it has subtle variations from year to year. We may drink a lot of tea, but sadly most of it is the strong, brown stuff - we want to stimulate a taste for a wider range of teas."

Simon Hill-Norton, new business manager for Whitford, is just as passionate. "Drinking tea is a seductive

experience," he says. "Take Japanese Pearls (the rolled tips of a green tea scented with jasmine flowers)... just watching them unfurl like a bud and releasing their delicate aroma is very sensual."

For such an ancient drink, tea seems remarkably in tune with the healthy and holistic lifestyle of the late 1990s.

Studies have shown that green tea, like wheatgrass and other fresh juices, is packed with minerals and antioxidants, which can help protect against heart disease and cancer. This has been recognised by health-

'It's the opposite of the in-your-face ethos of coffee bars'

conscious Californians who are flocking to the trendy tea bars springing up on America's west coast.

Ilyd Lewis, executive director of the British Tea Council, believes that if the US is switching on to real tea, it could lead to a shift in the perception of the UK's national brew. He says the British drink huge amounts of "ordinary tea" - about 76 per cent of Britons account for 186m cups a day - but very little speciality tea.

The first tea was sold in Britain in 1667, by Thomas Garway, a London tobacconist and coffee-shop keeper. In 1662 it was introduced to the royal palace by Catherine of Braganza, the Portuguese wife of Charles II. Tea soon became a fashionable drink for

the rich and famous and later for the general population.

In the 17th century, taxes on tea made it rare and expensive, but the free trade acts of the early 18th century ensured its regular supply. It soon became popular to take tea as a light meal between lunch and dinner, an idea that was seized upon by temperance reformers who saw it as an ideal drink to combat the dangers of alcohol.

Today, tea carries nostalgic associations for many - childhood high teas, village cricket in summer, tea dances at the Ritz. But there are also the less glamorous associations... builders in the kitchen, greasy spoon cafés, chats with the vicar. Indeed, in the past 80 years, tea seems to have developed its own social dilemmas: when is Indian preferable to Chinese? Dare I drink Orange Pekoe at the office?

Tourists visiting Britain each year are, of course, blissfully unaware of these social difficulties. In every tourist spot, there are tea shops eager to cater for those who want to experience a "proper" English tea.

The key ingredients, it seems, are a historic building, preferably oak-beamed, with a roaring fire in winter and a pretty garden in summer; linen tablecloths, proper china, cucumber sandwiches and scones with jam and cream.

Quaintways tea shop in the Kent village of Penshurst, housed in a Grade II listed building which was once a bakery, fits the bill perfectly. Inside the low, oak-panelled room are several tiny tables bedecked with flowery cloths.

As for tea being sexy, owner Leslie Baldwin agrees the impression that she believes what goes on in London is a little racy for the country. Monkey Picked Oolong might not appeal to her clientele.

Metropolis

Sensitivities on their sleeves

Saigon is celebrating 300 years of history but some things are off the agenda, says Jonathan Birchall

In the annals of modern Vietnamese history, the old quay in Saigon, once known as the *Mémoires Maritimes*, holds a very special place. For it was from here, in 1911, that a young naval cadet, Nguyen Tai Thanh, set out by passenger ship for Europe, en route, eventually, to his place in history as Ho Chi Minh, founder of the Vietnamese Communist party and father of the modern Socialist Republic of Vietnam.

After the end of the Vietnam war in 1975, when Saigon was officially renamed Ho Chi Minh City, the old customs house on the quay became a museum, and now serves as the Communist party's southern shrine to Uncle Ho.

So when a local historian, Professor Nguyen Dinh Dan, told a conference in 1994 that he actually boarded from a site further up the river, the revelation caused something of a sensation, before being quietly put to one side. "It was," says the 78-year-old professor, "a sensitive point."

This week, as Saigon begins seven days of celebrations to mark its 300th anniversary, there will be plenty of such historical sensitivities on display, in a city familiar with the gap between official ideology and reality.

On the road in from the city's Tan Son Nhat airport, a vast red and white billboard with a picture of Uncle Ho sets the official tone, boldly hailing 300 years of "peace, friendship and co-operation".

But in Saigon all three have often seemed in dangerously short supply. From the arrival of the French in 1861, to the turmoil of the 1960s and 1970s, to the era of re-education camps and the exodus of the boat people which followed the communist victory of 1975, Saigon has borne its share of Vietnam's modern troubles, and the memories of it still spill silently on to the streets of the city.

Just take a walk along Dong Khoi street, known before 1975 as Tu Do street, and before that as rue Catnat, past the looming motorcycle taxi drivers, and the street children selling postcards, from the old French Opera House, down towards the river.

In the shadow of new high-rise office blocks, the souvenir shops have the trappings of history on sale: old French 100 and 500 piastre notes, marked Banque de l'Indochine, piled alongside the inscribed Zippo lighters - most of them fake - beloved of the American GI,

and trays of military medals and old watches.

Ask at the antique shops on Le Cong Khien, and they will bring out piles of photographs of Saigon before the communists; young Vietnamese sweethearts in swimwear and bouffant hair smiling into the camera, or of a wistful young southern soldier with his rifle slung over his shoulder.

At the second-hand book shop on No 100 Nguyen, you can sip salty, black Vietnamese filtered coffee with sweet condensed milk, surrounded by the literary detritus of Saigon's fallen powers: *Le Petit Parisien*, two volumes of *Les Océans d'Indochine Française*, by Delacour and Jabouille, published in Paris in 1981, or a 1965 edition of Gerhart's *Soixante Mille*.

Firmly off the agenda is any debate of contentious events - which means anything since 1945

any Policy, part of the series "Fraser's Publications in Russian History and World Communism".

The Saigonese will sell you the past, but they don't normally like to talk about it, at least not to strangers. At the book shop, the young woman behind the counter will explain, when asked, that her father used to work for the American Associated Press news agency, alongside Peter Arnett, latterly famed for his coverage of the Gulf war, but they won't say much more.

The official programme of this week's celebrations will, nevertheless, be stressing the Vietnamese people's unified and inviolable advance towards independence, to create what the slogans call "a rich, cultured and egalitarian city worthy of the name of Uncle Ho".

Firmly off the agenda is any debate of the more contentious events - which means, in effect, anything since 1945. One recent article on the anniversary wisely concentrated instead on outlining the history of gas street lighting in the city since the mid-19th century.

But in Saigon even a retreat to scholasticism can create unforeseen problems. The official birthday date itself, 1868, pre-dates the foundation of the modern city by the French in the 1860s, and marks instead the year a Vietnamese general first established administrative control over a small settlement of traders on the banks of the Saigon River.

But 300 years ago, the region was nominally subject not to the Vietnamese, but to the Khmer kings of neighbouring Cambodia; Khmer's wariness of fueling nationalist territorial claims almost led to the anniversary celebrations being cancelled altogether.

"At the beginning of the year, we were not in a position to mention the Khmers at all," says Dan. "But gradually, little by little, it became possible."

On the other side of the city, in the crowded streets of the city's District Three, another 78-year-old has little time for such delicate negotiations over what can and can't be said about the past. Father Cha Tin, a priest of the Catholic Redemptorist order, played his own role in Saigon's modern history, campaigning first on behalf of political prisoners held by the Thieu regime before 1975, and then speaking out against the abuses of the communist victors.

In 1981, Father Tin's public criticism of the government's human rights record led to a three-year banishment from the city; today, he still exudes an irrepressible optimism and enthusiasm, and a disdain for the communists' historical efforts.

"Their history consists of ideology and imagination," he says dismissively. "They want to make it seem as if they did everything; everything else they want to throw away. They want to abolish history."

Father Tin will not be invited to the official celebrations, which, aside from learned seminars, will include a fireworks display over the Saigon River, a football tournament, and, strangely, a fashion show by Pierre Cardin.

Meanwhile, Dan says he is planning to relaunch his paper on the young Ho's true point of departure, which he says has won support among the political leadership, and he is hopeful of a better reception.

"It is a fact," he says, "it cannot be ignored."

Home Truths

True happiness means a wife and kids

Post-modern man enjoys six ages, the more stressful the better, says John Willman

You need to know two things about men. First, William Shakespeare was wrong: there are six ages of man, not seven. Second, the happiest men are those who are busiest and most stressed-out. When life becomes less busy and stressful, happiness declines and health worries multiply.

However, most men have the ingredients of a happy life: six out of 10 are busier than they were five years ago and nearly half say their lives are more stressful. As a result, two-thirds are happier.

These momentous conclusions emerge from a study of human behaviour carried out by the polling organisation Mintel. Its pretext: to mark the dawning of the new millennium.

The greatest stress, Mintel found, is felt by those in their first age group - pre-family singles. They are making the troubled transition of adolescence from mewing and puking infant and whining schoolboy to lover, "sighing like furrows".

Friends - as the American TV sitcom tells us - are very important at this age, as is having a social life. This means looking well-dressed (80 per cent), girl-style loitering in the bathroom

(almost half daily more than 15 minutes each morning) and trying out new toiletries (67 per cent).

It also involves drinking prodigious amounts of lager, chosen because it is a well-known brand (44 per cent), on special offer (34 per cent) or simply "good to get drunk on" (15 per cent). Not surprisingly, these lads like reading men's lifestyle magazines such as *Loaded* and 47 per cent say they like to go clubbing or to rave.

Sooner or later the "woeful ballad" made to a mistress's eyebrow leads to Mintel's next age: pre-family couples. Bliss follows - 88 per cent are happier, more than half their life is less stressful.

This is probably because the arrival of a significant other brings important fringe benefits - such as cooking, cleaning and shopping. The proportion of men taking full responsibility for any of these chores immediately falls, a trend that continues through the remaining four ages.

A tip for women, however: live in sin - or better still, marry a divorcee. Men are more likely to give a hand around the house when cohabiting, and considerably more likely to do so in their second marriage.

One by-product of getting hitched is that going out becomes less important. Then the arrival of children ushers in the third age: family men.

Shakespeare rather glosses over this age - children had only walk-on parts in his day. But for modern dads, the first few years as a family man are the busiest and most stressed-out of their lives. They are also among the most satisfying; 83 per cent of men with children under five say they are happier than five years ago.

Something has to give, however, and it is regular exercise (taken by fewer than a third) and diet (only a quarter say their's is healthy). There is also less time to keep up appearances, with one in six describing their personal style as "scruffy". Family men want clothing that is "easy to wash" and "durable and hard-wearing" - non-iron shirts and trousers.

Shortage of money is the biggest concern in this age, felt by more than a third. Next is education - six out of 10 worry about their children's progress.

Of much less concern is a social life; only one in eight thinks it important. A

decent pub for a man of this age has a children's play area rather than cuss sports or live music.

All too soon, however, the children refuse to go into a family room and prefer a family with a pool table. When they reach 16, their father enters man's fourth age as an empty-nester - the justice "full of wise saws and modern instances", as Jacques tells Duke Senior in *As You Like It*.

This is the golden age for couples, with six out of 10 going out regularly together - the highest among any group. More than half eat at a *déjà* at least once a month.

Money problems also ease and only a quarter of empty-nesters say they haven't enough. Dressing well becomes more important again and the emphasis shifts towards quality and luxury brands - Pringle sweaters and Daks.

Life begins to slow down, with 22 per cent less busy than five years ago and 40 per cent less stressed. But happiness begins to fall and health becomes an issue, with six out of 10 worrying about it.

This trend continues into Mintel's last age when the kids finally leave home and their parents become post-

family couples. Barely half the men in this group say they are happier than five years earlier - perhaps because the proportion saying life is busier or more stressful also falls to similar levels. A quarter have experienced serious illnesses and 12 per cent health problems in their partners.

This is Shakespeare's sixth age, "with spectacles on nose" and legs that no longer quite fit youthful hose. "Well-groomed" is the look they aspire to and a quarter want their underpants to be any colour so long as it is white.

Gardening and voluntary work become the favourite leisure pursuits. Clubbing and raves now appeal to only 1 per cent. Fewer than a third use deodorant, which answers one important question children often ask about granddad.

And so to the "last scene of all, that ends this strange eventful history... second childhood", or post-family singles as Mintel clinically puts it. The grim reaper is ever-present, with one in eight having recently become a widower and one in five worrying about losing a friend.

Left to fend for themselves, this group of men must discover how to do the

household chores. Four out of five always do their own cooking and shopping - a far higher proportion than in any other age.

Typically, retired, post-family singles are more likely than any other group to spend over 25 minutes in the bathroom every morning. In the absence of a companion, listening to music and the radio are important pastimes.

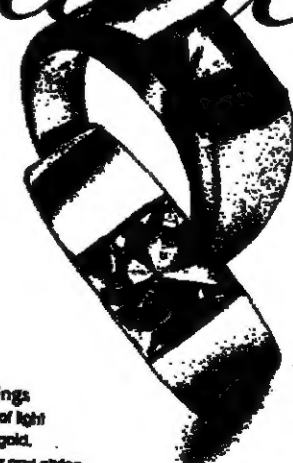
Post-family singles are least likely to own the appurtenances of modern life: sans mobile phone, sans personal computer, sans fine fragrance aftershave, sans everything. Most say their life is less busy and stressful than five years ago, and so only 44 per cent feel happier - the lowest score by any group.

The lesson? If you want to avoid stress, retire, don't have children and live with your parents. But to enjoy true happiness, get married and start a family: there'll be plenty of time to recover after the children have fled the nest.

Men 2000 is available from Mintel 1998.

Left to fend for themselves, this group of men must discover how to do the

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